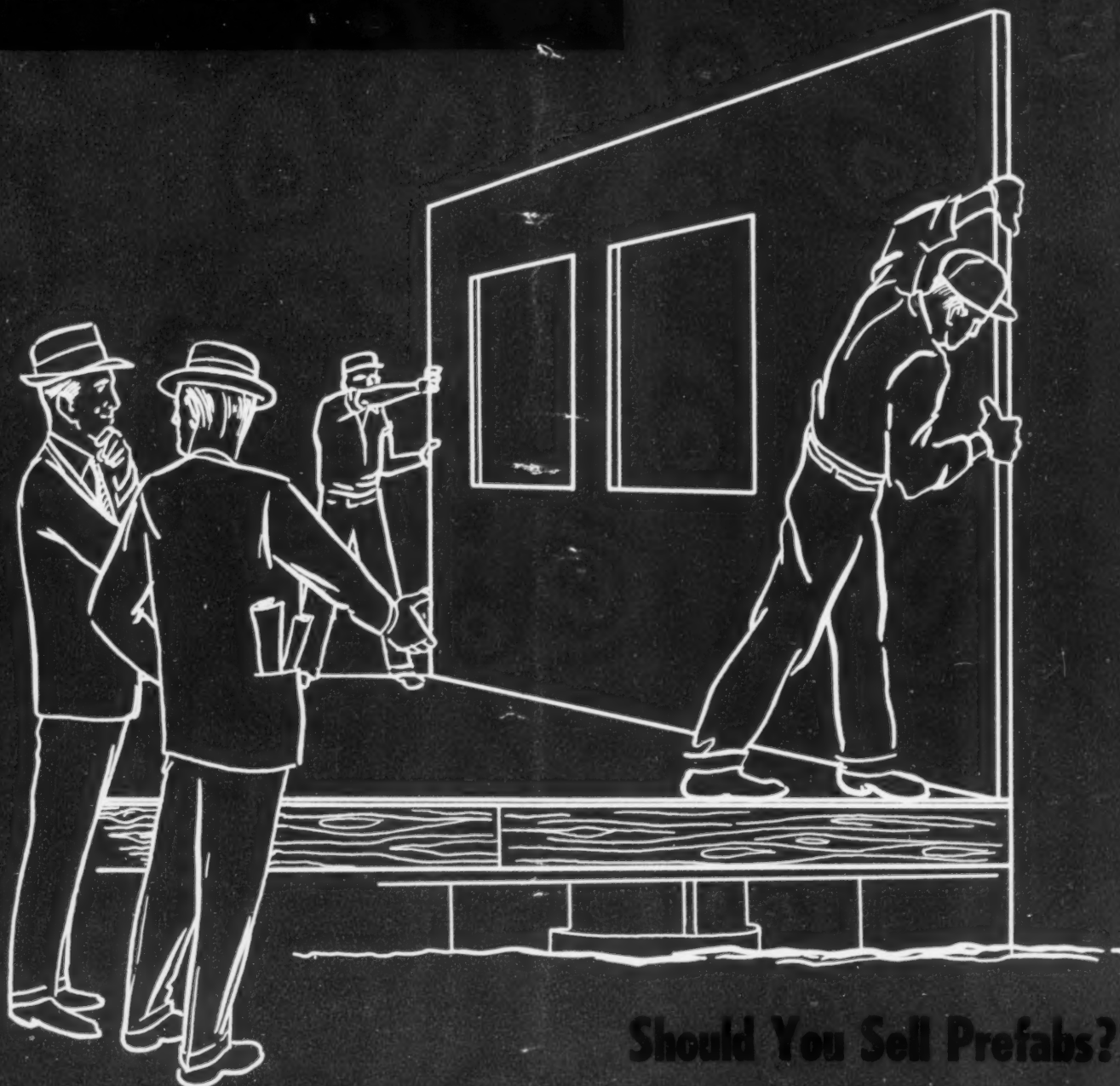


NATIONAL
REAL ESTATE
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JOURNAL

OCTOBER

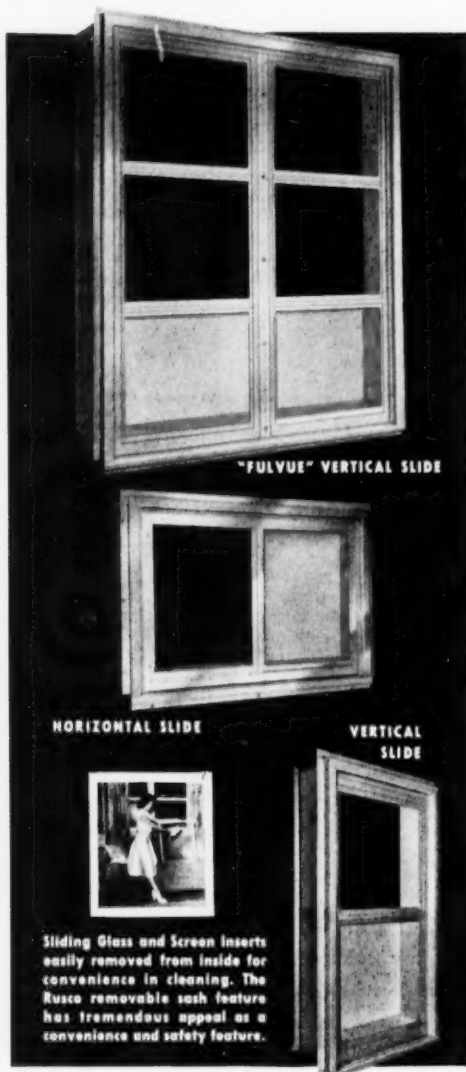
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The Split Level: Is It the Home of Tomorrow? ★ Designed for a View

Build it Better... Faster... Cheaper with **RUSCO** *Galvanized Steel* **PRIME WINDOWS**



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RUSCO FULVUE PRIME WINDOWS make an excellent treatment where large window areas are desired. Available in 3-panel-high and 4-panel-high types, in a wide variety of sizes. Easily joined in series with Rusco's simple, non-load-bearing mullions.




RUSCO HORIZONTAL SLIDE WINDOWS ideally meet design and construction requirements for high window placement, such as in ranch-type homes, above sinks, bathtubs, etc. Provide added usable wall space.



THOUSANDS OF RUSCO PRIME WINDOW INSTALLATIONS have been made throughout the United States, Canada and Alaska on every type of construction from low-cost housing projects to the finest custom-designed homes, apartments and commercial establishments.

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two bathrooms of

BRIGGS
Beautyware

in color!



WY IES



National magazine advertisements like this one have carried the Briggs Beautyware story to millions of American readers. They know of Briggs' uniformly high quality, and increasing numbers are asking for Briggs Beautyware fixtures in color.

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bathrooms
—a must
in every
modern
home!*

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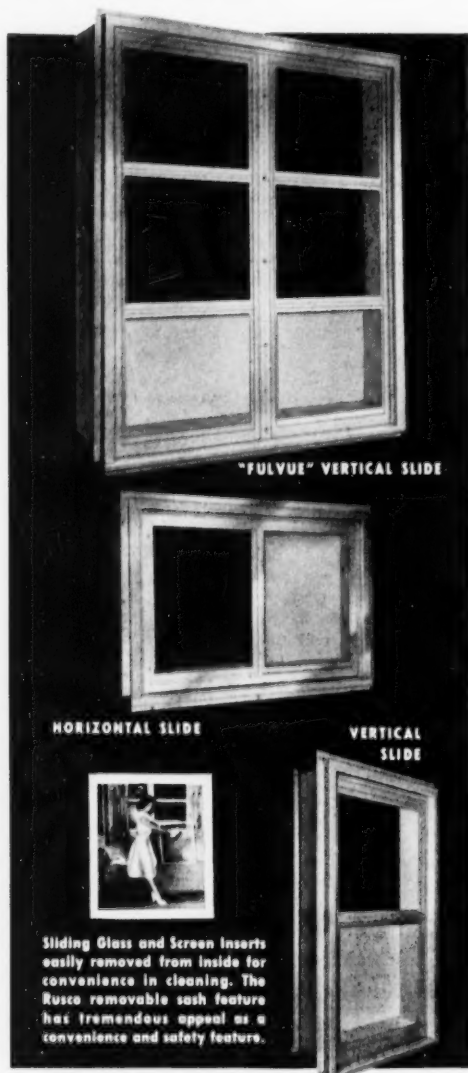
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resistant, with non-fading colors and tarnish-proof chromium plated fittings, Briggs Beautyware is an asset to any house—gives your customers the assurance of consistently high quality.

No matter what the size of the house, always specify *two* bathrooms of Briggs Beautyware in color for complete customer satisfaction. You'll sell more homes—earn greater profits—*faster!* ©1951

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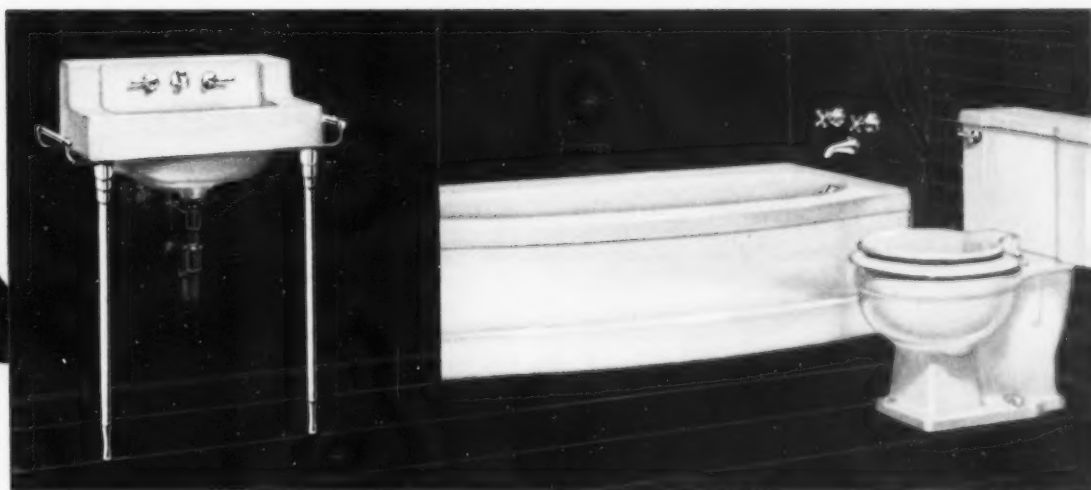
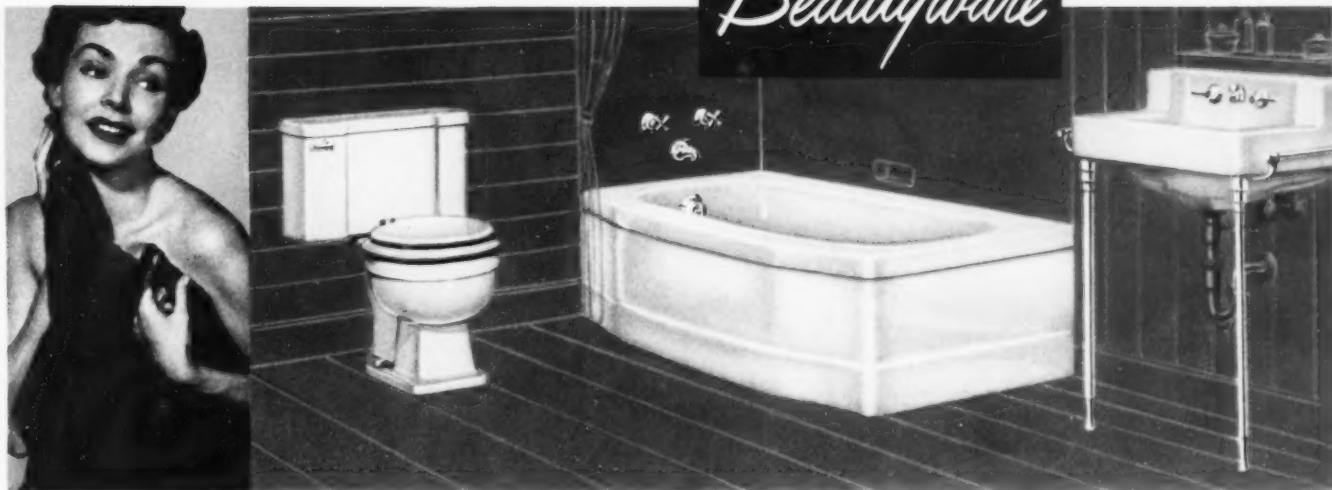


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it's  practically sold when you show them
two bathrooms of **BRIGGS** in color!
Beautyware



National magazine advertisements like this one have carried the Briggs Beautyware story to millions of American readers. They know of Briggs' uniformly high quality, and increasing numbers are asking for Briggs Beautyware fixtures in color.

*two
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One of your best salesmen is the modern convenience of two Briggs Beautyware bathrooms in *every* home you build. Prospects are sure to be impressed with the functional design and smart lines of Briggs fixtures, as well as the handsome decorator colors. They'll be doubly pleased when they learn that Briggs Beautyware keeps its fresh, sparkling newness for years and years.

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No matter what the size of the house, always specify *two* bathrooms of Briggs Beautyware in color for complete customer satisfaction. You'll sell more homes—earn greater profits—*faster!* ©1953

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...of course, it's electric!

Full cooking capacity...yet only 21" wide!

Westinghouse Coronet Ranges please tenants,
pay big dividends in low maintenance

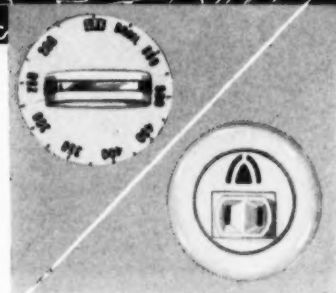
If you're faced with the problem of providing adequate cooking facilities in a limited space, here's your solution.

These Westinghouse Speed-Electric Ranges pack big range cooking capacity into a compact package, taking only 3½ square feet of floor area.

Economical to maintain, too! They're especially designed to stand the gaff of apartment house usage with these out-

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Consider this, also! Electric cooking is *clean*. That means lower property cleaning expense. See your Westinghouse distributor or write direct for full details.



SINGLE DIAL OVEN CONTROL is easy to see and operate. OVEN SIGNALITE also includes a handy appliance outlet.

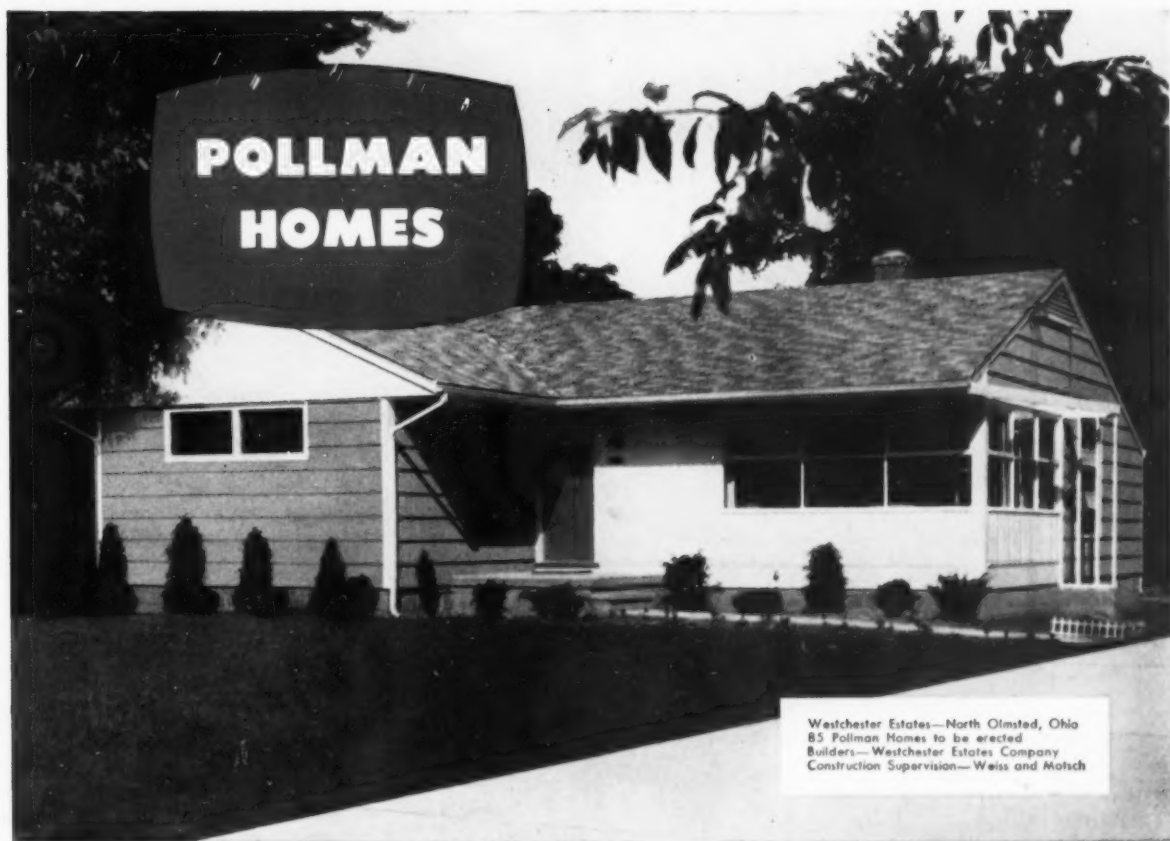
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WESTINGHOUSE
CORONET RANGE
is also available with
three surface units.



YOU CAN BE SURE...IF IT'S Westinghouse



Model Home — sold before it was open

That's the story at Westchester Estates—a new 85 home development on Cleveland's suburban West Side. This new 3 bedroom, L-type Pollman Home was built for a model home showing—a buyer signed the purchase contract two weeks before the doors were open. On opening day, contracts for nine other Pollman Homes were sold.

A wonderful story in today's market? Yes—and Pollman Builders in other areas continue to report similar sales experience. If you are a builder who would like to learn more about this salable line of factory assembled homes, write us. We will be glad to have a factory representative call.



Pollman Homes are designed by noted American house designer, Richard B. Pollman. The popular L-type plan features 3 bedrooms, plenty of closet space and a floor plan that eliminates family traffic problems. If you are located in the Southern or Gulf Coast States, we suggest the Southern Line of Pollman Homes, designed for warmer climates and manufactured in Collins, Mississippi.



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IT'S EASIER TO PLAN

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AMERICAN-Standard
KITCHEN CABINETS



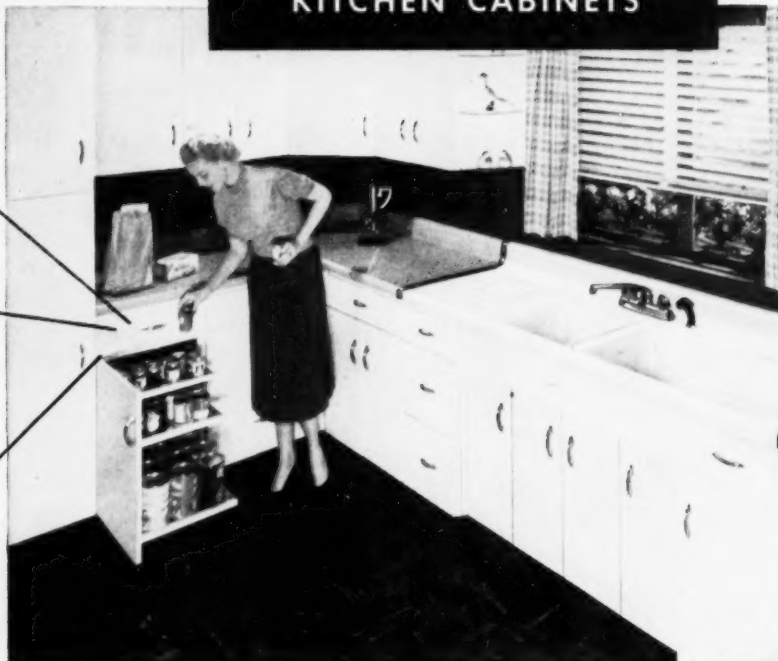
Space like this...



can be converted...



to meet storage needs!



ADAPTABLE TO FUTURE NEEDS OF YOUR CLIENT

... sizes and styles to fit any kitchen layout

Give your clients a feature that *only* American-Standard cabinets can offer—*convertibility*. The position of adjustable sliding shelves or drawers may be changed in any undersink or base cabinet, except the 27" base cabinet. Each sliding shelf, shallow or deep concealed drawer can be located at any of four levels. Deluxe exposed drawers can replace doors. Wall cabinet shelves are adjustable on one inch centers. These changes can be made easily—in just a few moments.

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For further information about adaptable, convertible American-Standard kitchens, write for the Kitchen Products catalogue—Form No. KP-52.

For further information on American-Standard products see Sweet's Light Construction File.

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its shape...**



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When you choose hollow-core flush doors, be sure of customer satisfaction. Look up to the "backbone"—the core.

Only in the "Curtis New Londoner" do you have the locked-in, all-wood *engineered* core that assures dimensional stability—for a lifetime.

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with the engineered backbone

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Curtis also manufactures the famous "American" solid-core flush door with kiln-dried core. Face panels are phenolic bonded. Available in extra widths for school, hospital and institutional use.

For complete information, see "Curtis New Londoner" section in SWEET'S Architectural Catalog—or mail the coupon.

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Clinton, Iowa

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City.....State.....

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Chances are, you could be building more homes, or building homes more profitably, or both. That is, if you build P & H prefabricated homes for the \$8,000 to \$15,000 price range. Here's why.

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The architect-designed 2 and 3 bedroom P & H Homes meet all code and financing requirements.

You'll cut your costs, too. You can have a P & H Home under roof in a day. No delays, no waiting for materials to arrive. Homes arrive, complete with hardware, glazing, millwork, and trim, ready for erection. You can gear construction to sales, and schedule sub-

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And because you build and sell all year around, you can get more favorable sub-contracts.

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NATIONAL REAL ESTATE and BUILDING JOURNAL

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Subscription prices: \$4 a year, \$7 two years, \$10 three years in the United States. In Canada, \$5 a year; in all other countries, \$6.50 a year. Single copies 50 cents; back copies except Raster issue \$1. Member ABC.

VOL. 54 NO. 10



OCTOBER 1953

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THE JOURNAL REPORTS



The Financial Puzzle

Just how bad is the mortgage money situation? What's the outlook: for more or less? These questions are puzzling even the most astute forecasters. And opinions and solutions from the real estate and building industry are even more puzzling.

Surveys by JOURNAL editors show that the money supply is tight in most areas. In certain sections, particularly around Boston and New York, mortgage money is available, if not plentiful. A typical comment from a Boston real estate builder: "We can get all the FHA and VA money we want. The lenders must want to stay close to home."

Inland a few miles, the story is different. One builder reports: "I've had to leave my 50-house project half-completed because of lack of financing." Yet in the same city, another builder says, "I can't build houses fast enough. Mortgage money? Yes,

some trouble, but we're getting along all right."

One lender, hearing these comments, suggested, "You know, it might have something to do with the builder and the value of his product."

Nevertheless, the money shortage is haunting many members of the housing industry. Will it get better? VA's T. B. King says that GI loan applications for August topped 31,000, a gain of 5,800 over July. He explains that this may be due to the rush of lenders trying to get their loans under the 4% wire. But he also says, "It may reflect a gradually improving trend in the GI money supply."

What can be done? The solutions are plentiful. NAHB's president, Emanuel Spiegel, says, "Mortgage lenders are returning to 'horse and buggy' financing." He takes to task the "stringent money policies that are denying housing to low and modest income families."

(Please turn to page 14)

INVEST WITH CONFIDENCE

Loans on MODERN HOMES are desirable because home owners, builders and investors all benefit from the advantages of superior quality and styling combined with efficient mass production manufacturing techniques.

For example, the quality of every MODERN HOME, whether it is located in Columbus, Albany or Cedar Rapids, is the finest because every home is skillfully mass produced in modern factories by conventional methods from high quality, nationally advertised materials.

And every MODERN HOME is well-planned, convenient and good looking because every home was designed by an experienced architect.

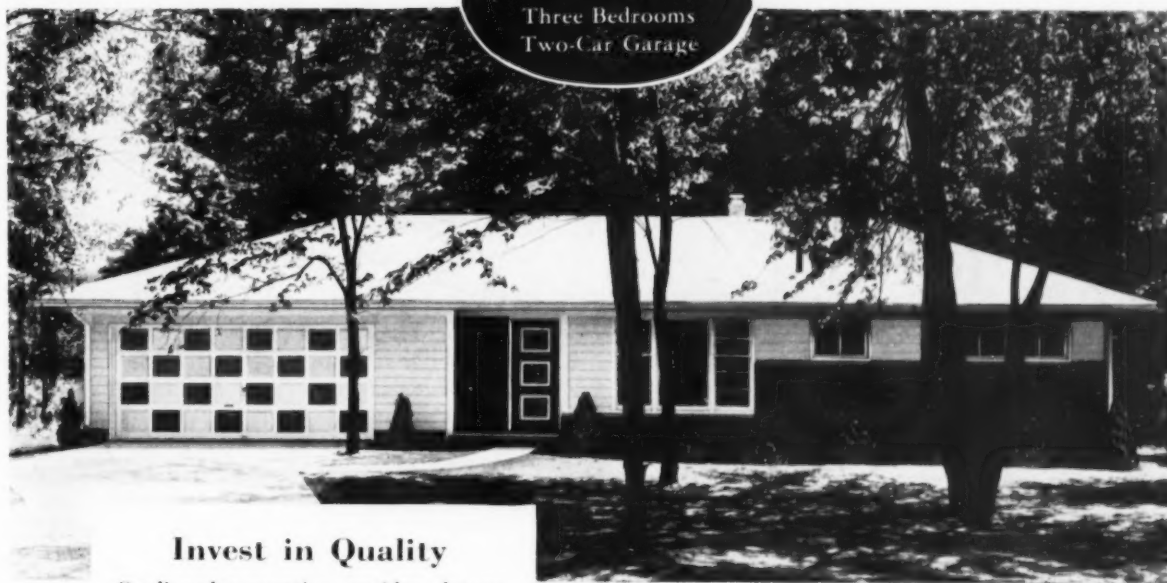
In addition to these benefits, you, as the lender, have the assurance that these homes were skillfully erected in your community by a well-known local builder. This builder was carefully selected on the basis of his reputation for building high quality homes and dealing fairly with his customers.

The Windsor

62' x 26'

Three Bedrooms

Two-Car Garage



Invest in Quality

Quality plus quantity provides a better home that sells for less. That is the secret of MODERN HOMES and that is the reason why MODERN HOMES provide lending institutions with a reliable source of sound mortgage investments.

Write today for literature concerning MODERN HOMES and information about this dependable supply of desirable, long-term investments.

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◀ **"Budget" houses are our specialty,**" says Mr. Frank A. Collins, President of F. A. Collins Company, Philadelphia, Pa., "but most of them have included electric kitchens, because the kitchen is the focal point of interest to women. One important item that always attracts the homemaker of the family is the modern *Electric Range*. Its features appeal to women. No matter what type of homes you build, it pays to include *Electric Ranges*."

▼ **"Our homes include** the very newest and finest developments in building products, methods and appliances," says Mr. E. A. Ballin of Hewlett Harbor Construction, Inc., Hewlett Harbor, N.Y., "and for that reason they are equipped with modern, automatic *Electric Ranges*."

**"BUDGET"
AND BIG...**
there's a
resemblance...

**both have
electric
ranges!**



Attractive kitchen wall cabinets in the kitchens of the Collins "Budget Glamour Homes" at Roxboro Park have glass sliding doors. Appliances include electric refrigerator, automatic washer, and the range—of course, it's **ELECTRIC!**

Houses may be large or small, but when builders report them selling fast, you're likely to find one resemblance—the *Electric Range* in the kitchen. No matter what the home costs, the customer wants an *Electric Range* included. It's both economical and easy, and assures a clean, cool kitchen. Are *you* taking advantage of this preference in the homes you build? No matter what their location or price bracket, the modern *Electric Range* can help you *sell* them!

More builders every day are
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RANGES



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Sales are booming, but that's only part of the reason why Best dealers are making more profit. A Best home's faster erection brings labor costs way down! It can be put under roof on a prepared site on the first day.

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CAN OWN HOMES
LIKE THIS**



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(Casement, Awning, Double-Hung, Fixed and Picture Windows; also Screens, Storm Sash and Doors)

REYNOLDS ALUMINUM REFLECTIVE INSULATION



Journal Reports

(Continued from page 10)

Brown L. Whatley, president of the Mortgage Bankers Association, urges an increase in FHA and VA rates. "Interest rates must be modified to meet market conditions." Some industry officials believe a 1/2% increase on FHA and VA would cure the financing ills.

There are those who believe "hard money" is definitely good for the industry and the economy as a whole. Charles Clements, president of the United States Savings and Loan League, says, "When money is cheap, as it was in the years immediately after World War II, building materials are more expensive, there are more buyers competing in the market, and the net result is that the prices of new houses continue to move upwards. As the cost of money goes on a sounder basis, as it has since the Spring of 1951, prices of new homes become more reasonable and buyers get more for their money."

Mortgage Discount Bank

If financing is a major stumbling block, at least one group has a plan underway to do something

(Please turn to page 16)

ABOUT THE AUTHORS

Harold S. Goodrich, author of "Your Challenge: The Slum Problem" in this month's JOURNAL, has provided the industry with sound, logical thinking on urban redevelopment problems. A veteran of 32 years of successful real estate practice, Goodrich has served as chairman of NAREB'S Rehabilitation Committee, member of the governing council of Appraisal Institute, past president of his local Springfield, Ohio real estate board and state association. Also a Certified Property Manager, Goodrich specializes in appraisals, sales, and the management and modernization of 600 property units. He is a sought-after lecturer and writer, but finds time for his favorite hobby — trout fishing.



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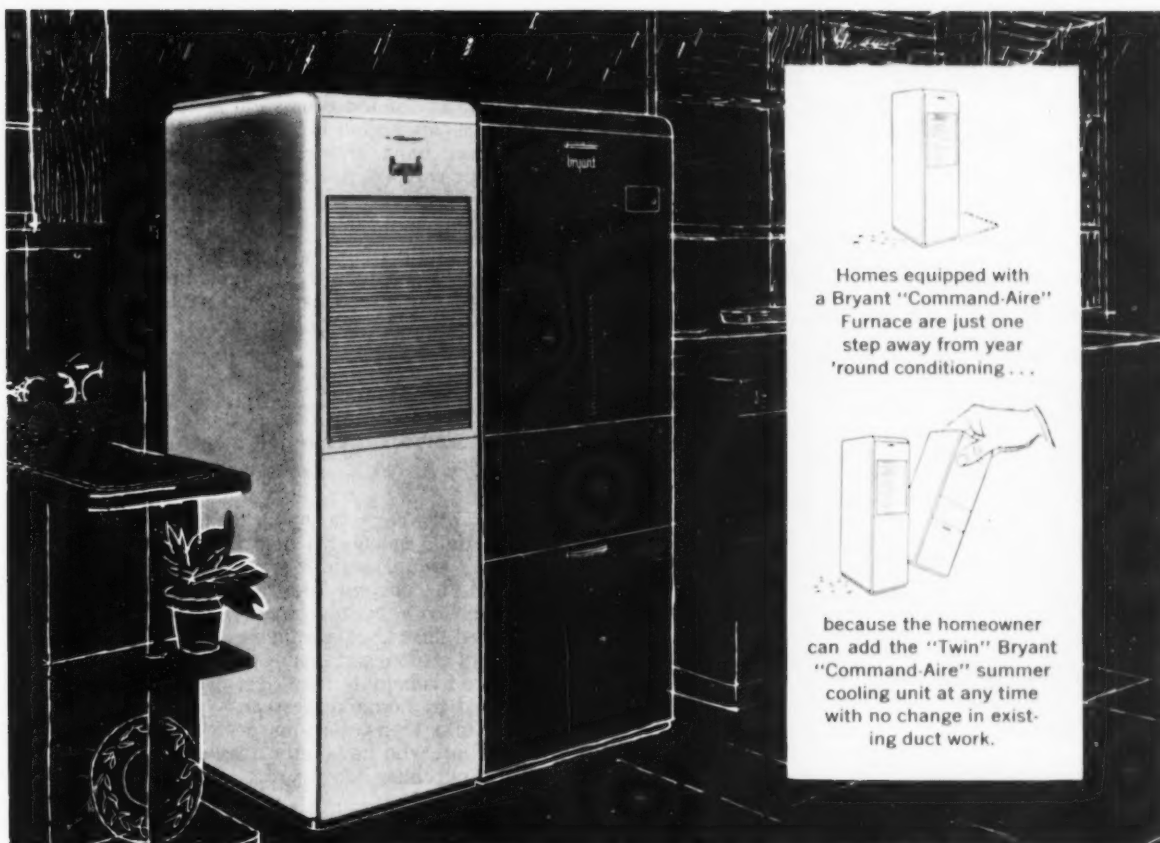
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THIS FURNACE OFFERS A BRIGHT FUTURE TO HOME BUYERS!..AND YOU!

For you there's the prospect of faster, more profitable home sales—because homes equipped with the Bryant "Command-Aire" Furnace promise all the delights of year 'round conditioning *without immediately involving its cost*. Here's why. "Command-Aire" Furnaces (gas or oil) are companion units to the Bryant "Command-Aire" Summer Air Conditioner. When you install the "Command-Aire" Furnace, the homeowner gets the convenient option of adding the cooling "Twin" at *any later time*. It simply moves in alongside the furnace and employs existing duct work. And the price is surprisingly low.

And whether the homeowner adds air conditioning or not, he has a furnace that's years ahead in design—years ahead in its ability to deliver perfect winter comfort at low operating cost. But of particu-

lar importance to you, it's a furnace that provides a premium home sales feature *at no extra cost*.

For complete information on "Command-Aire" Furnaces contact your nearby Bryant Distributor. Or simply write: Bryant Heater Division, Affiliated Gas Equipment, Inc., 17825 St. Clair Avenue, Cleveland 10, Ohio.

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Journal Reports

(Continued from page 14)

about it. Slated for top discussion at its forthcoming Los Angeles convention is NAREB's plan of a mortgage discount bank. President Charles Shattuck explains it this way:

"Perhaps the greatest deficiency in the organization of our real estate industry is the absence of a secondary mortgage market and a sound means of channeling small investments and savings into real estate financing. We propose that this long-felt need be met by the creation of a system of regional mortgage associations chartered by a Central National Mortgage Association, to purchase mortgages from mortgagee members of the associations, with the issue of debentures against mortgages held for sale to the public.

"Serving as a secondary market to which lenders could sell their mortgages held, the new system of associations would stabilize the mortgage market and provide a constant supply of funds in all sections of the country for lenders desiring to make well-secured loans. It would break the bottleneck in rural and remote sections of the country in particular, where inadequate turn-over of mortgage paper has resulted in home seekers and others being unable to obtain loans. Persons desiring to invest in real estate but who have only a small amount available could purchase debentures.

"Under the plan, the Central National Mortgage Association would charter and determine the number of regional mortgage associations and set up regulations for their operation. It would also establish a sound and conservative system of appraising property upon which the regional associations would purchase mortgages.

"Regional mortgage associations would be chartered originally where most in demand and they would be permitted to set up branch or district offices within their regions. The minimum capitalization of each regional association would be subscribed initially by the United States Treasury. As subscriptions from private sources increase, an appropriate formula would be provided whereby the Treasury's participation would be gradually retired."



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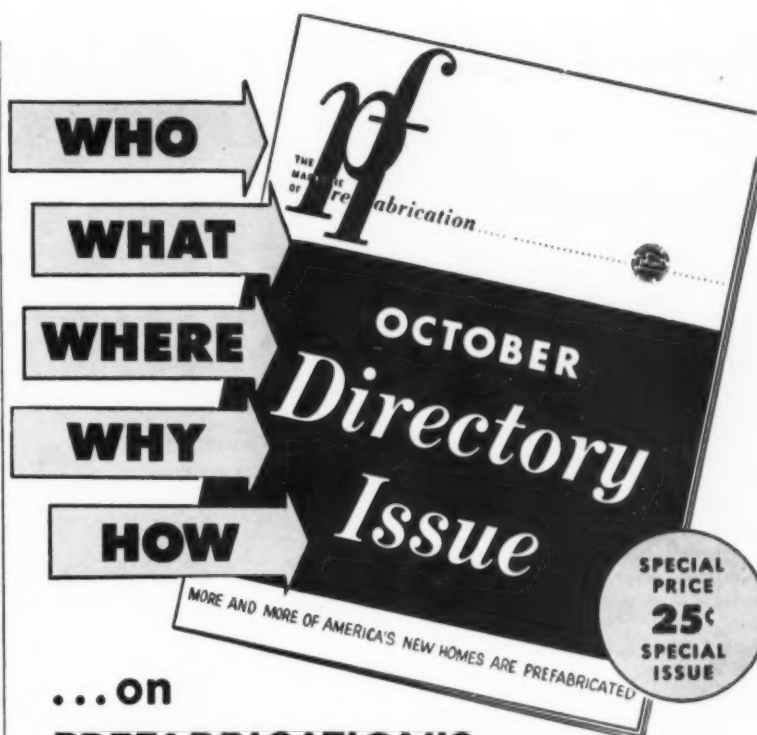
Shopping Centers—Principles and Policies

JUST as aviation has revolutionized travel, the increasing number of suburban shopping centers are changing America's shopping habits. What do we know about the past and present successes and failures of these centers? Technical Bulletin 20: "Shopping Centers — Principles and Policies," published by the Urban Land Institute, brings the subject up to date. It consolidates the experiences of members of the Institute's Community Builders' Council in the planning, building and management ends.

The bulletin discusses the ingredients of a good center, including the site, financing, architectural design, parking and leasing problems, and gives detailed examples and pictures on centers which are setting today's patterns.

It divides shopping centers into three groups: 1) Neighborhood centers provide such daily living needs as foods, drugs, sundries and personal services; include 10 to 15 stores; require at least 1,000 families for support, and need 5 to 10 acres for site area. 2) Community or suburban centers, in addition to convenience goods and personal services, provide for sale of soft lines (apparel, etc.) and hard lines (hardware, equipment); include 20 to 40 stores; require at least 5,000 families to draw from, and a site area of 10 to 25 acres or more. 3) Regional centers have at least one department store for their core and offer shopping goods in full depth and variety, including fashion items and house furnishings; include 50 to 100 stores; require more than 100,000 people for support; require 35 acres as a minimum site area. The shopping provided for in these centers is often called "one-stop shopping" meaning one stop of the car to let the customer do all kinds of buying.

For information on obtaining this bulletin, address Max S. Wehrly, Executive Director, Urban Land Institute, 1737 K Street, N.W., Washington 6, D. C.




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- Territories where they operate and through whom and to whom their houses are available.
- Why prefabrication's potential is steadily rising in all parts of the country, and already accounts for 20 per cent of new homes produced in some areas.
- How you can profit from the big swing to prefabrication's modern methods.

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PF is the new, official journal of the industry, serving some 12,000 dealer-builders, manufacturers, realtors, mortgage lenders, suppliers, housing officials and others who need authentic information on the prefabrication industry. The annual directory issue is yours at the special price of 25¢. Why not start your subscription with it!

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Open Forum For Your Legal Problems

GEORGE F. ANDERSON, *Moderator*

Dear Mr. Anderson:

Referring to your item about how to prevent a non-exclusive listing from expiring, a recent Pennsylvania decision by a trial judge is somewhat at variance with your interpretation of continuing exclusive rights to sell, which to us is more important than exclusive listings.

He held that when such a contract for a fixed term contained a further provision that it was to continue in effect until either party gave the required notice of its cancellation, it ceased to be an exclusive after the original term and became only an agency contract.

So far as I know, the decision was not appealed but it is governing those of us who do business in Delaware County, Pennsylvania.

Freas B. Snyder
Upper Darby, Pennsylvania

My item referred to "non-exclusives" and not to "exclusives." But the decision you call my attention

to is an interesting one, but I think it is out of line with the general principles of contracts. Since it is not by an appellate court it is not a binding precedent. I have searched in Illinois for a decision on the point but there doesn't seem to be any. It is taken for granted that the provision is good. I need not say that brokers will not like this decision.

Dear Mr. Anderson:

In a recent item you wrote about an insurance broker writing a fire insurance policy and using the incorrect address. This is something that could very easily happen in this area because many of our smaller suburbs are continually changing numbers, and I was therefore much concerned.

I have written to all of the companies I represent, and they have all given me the same answer, which is as follows: "providing our assured did not own more than one building of same construction

and occupancy and presuming no fraud is involved, we would not be so technical as to require the exact number to appear on our policy. This ruling is based on the insured's intent to cover his particular building. It is also based on the insured's paying the proper rate for the prescribed building."

Alan Johnston
Westfield, New Jersey

My experience with insurance companies is that they are quite generous where there is a small loss, and in such cases do not take advantage of technicalities. Where, however, there is a large loss, they take advantage of every technicality they can find. A glance at a text book on insurance (i.e. Vance) will convince you that this is correct. Your companies have advised you what their policy is, but not what the law is. If I take out insurance on 5940 Evans Avenue, Chicago, Illinois, and the property I own is 5942, I have no insurance on my building. In some cases it is possible to have the policy corrected, but not in all cases. I don't like to rely on policy but on law. If I rely on policy, I am at the mercy of the insurance company.

Dear Mr. Anderson:

I read several months ago where a dress shop in St. Louis, I believe, had an unexpired lease and they moved to a new location with their high-priced line of goods and put a cheaper line of goods in the old store, deliberately reducing the income. The last few months of the lease they vacated the building entirely and wanted just the minimum rent.

The owner brought suit for the average rent he had been receiving and won his case in court.

Claude G. Stotts
Coos Bay, Oregon

When a tenant leases premises on a percentage basis it becomes his duty to use a reasonable effort to do as much business as possible. If he abandons the premises he has not used such an effort, and unless there is some unusual wording in the lease, it is my opinion that he becomes liable for the average rental paid, and not only for the minimum.

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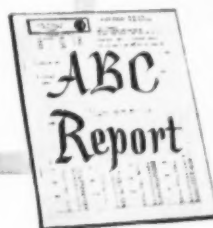
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National Real Estate and Building Journal

A.B.C. REPORTS — FACTS AS A BASIC MEASURE OF ADVERTISING VALUE

NATIONAL REAL ESTATE AND BUILDING JOURNAL — October, 1953

National Homes Sales Up 27% Over Year Ago...*How about Yours?*

For the fiscal year ending June 30, National Homes' volume of business showed an increase of 27% over the previous 12 months. During that same period the home building field remained virtually static.

And this sensational gain was registered on top of National's already dominant position in the field. It might be easy for a small company to do 27% more volume, but when the leader does it—that's amazing!

If you haven't stepped up *your* business in the same ratio, investigate the profit opportunities in a National Homes dealership. Your area may be available. Write or wire today.

Charles M. Goodman, AIA, is now exclusive Architectural Counsel for National Homes. This internationally famous architect will help YOU sell more houses as a National Homes dealer-builder, by giving you a still greater variety of pace-setting plans and designs. This exclusive National Homes feature further adds tremendous sales appeal!



Now — Air-Conditioned!

Any new National home may now be ordered completely air-conditioned at unbelievably low cost—only \$500 additional for the small and medium-sized homes, \$600 for the larger models, with just a very slight increase in the down payment. And this health-giving feature annually averages only a few cents per day to operate.



GABRIEL HEATTER, called America's No. 1 Salesman, is now on the air for National Homes, coast to coast. Listen to his new program, "Good News Today" every Monday, Wednesday and Friday morning over the entire Mutual Network. Just think how Heatter's dynamic personal selling could build business for you as a National Homes dealer!



National Homes prefabricated panels and structural parts as they leave the assembly plant carry the Good Housekeeping guarantee seal and Parents' Magazine seal of commendation.

SOUTHWESTERN BUILDERS!

You are invited to see new "RANGER" series of National Homes, introduced at Texas State Fair, Dallas, Oct. 10-25. A complete house of the "Ranger" series will be on display just inside main entrance, General Exhibits Bldg.

At Your Own Front Door.....

NOT A FEW MEMBERS of our industry are singing the blues. To hear them talk, the mortgage financing situation couldn't be much worse and there's no hope ahead. People aren't buying as rapidly as they did and prices are bound to come down. Owners are clinging to preconceived ideas of lush property values and the listing situation is becoming more hectic.

We're critical of such talk. It's the kind of gloom that spreads like a grapevine and soon, people are reluctant to buy anything. They stuff their paychecks under the mattress and wait. And whom do we blame? Realtors and builders blame the mortgage bankers. The mortgage bankers blame realtors and builders. Manufacturers blame labor unions and the labor unions blame the manufacturers. And everyone blames the government.

But who is actually to blame? The plain and simple answer is ourselves. No one else. We've become so accustomed to security without risk that we balk at the slightest suggestion that we must take some risks. We aren't conditioned to a market where it takes more know-how and harder work and a stiffer backbone to stay in business.

Certainly mortgage money is tight. But loans and commitments are at peak levels. We say people are reluctant to buy. But home building will go over a million starts this year, as in the past three. And listings are tougher to get at the right price. But real estate activity is higher than we ever experienced before World War II.

So what are we crying about? We're crying because we aren't willing to accept today's market for what it is and plunge headlong into competing in that market.

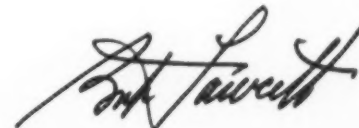
A real estate builder told us the other day he hadn't sold a new home in his project for two weeks. Yet this fellow was unwilling to take a critical look at his unimaginative houses or his easy-going sales staff. More "sell" in his houses and in his personnel might very well change the situation. Yet what was he doing? Merely spreading the gloom — telling his business associates, his friends and neighbors, the man on the street how poor business was getting. And so the grapevine of gloom spreads.

At a home builders' meeting last month, John Magrum of Dallas summed it up this way: "In the old days, you had to make profit by building a better product and taking a risk. For the past 20 years or so, when security without risk has been the watchword, people thought they ought to be able to buy on credit, get commitment, and then get the banks to bail them out. Everybody made money and nobody took risk. Now, the people who are really experienced in the real estate and building business know they're going to have to take risks to stay in business."

Fortunately, most members of our industry aren't getting panicky. That's what is keeping real estate and building activity at high levels. But we're all guilty, to a degree, of two things: 1) wanting to let the government or some other group take the risk, and 2) blaming them for poor business if they don't.

Certainly we don't have to omit the negatives in our thinking or in our talk. That's plain hypocrisy. But let's take a look at the bright spots, too — locally as well as nationally. Let's spread the word about the good things. And then let's take a critical look at ourselves, our personnel, and our methods.

Many problems can be solved at our own front door. Start looking!



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Accepted, yet unprofessional, methods of taking listings; 1) boss makes hurried inspection, fixes price; 2) caravan of salesmen guess of property worth, seek an average; 3) salesman is paid fee to get listings, disregards price, eyes commission only



Mr. and Mrs. John Q. Public are getting fed up with the hit-or-miss methods of evaluating property practiced by some members of our industry. And it's giving all of us a black eye. What can we do about it? We can take a critical look at our own methods. Are they as professional as they could be? Our author tells how to improve them

Can We Improve Listing Methods?

By EARL B. TECKEMEYER
Realtor
Indianapolis, Indiana

IF YOU will take the time to read one short couplet from the Rubaiyat of Omar, the tent maker, you will find that it says:

"Oh! take the cash and let the credit go,
Nor heed the rumble of the distant drum."

No truer words were ever spoken; but what, you may ask, does this have to do with me and real estate and my brokerage business as I see it in 1953? Well, just this!

There is a sad situation becoming more and more evident in the real estate brokerage business throughout the land where more and more men are all too willing to take the cash and give no heed at all, as Omar suggested, to the rumble of the distant drum. In other words, make the deal, get the commission, sign 'em up. But the drums, being beaten now and more vigorously by those who have been duped, misled, harassed or made heartsick over a real estate experience, are beginning to rumble more loudly. And their ominous roar, if not retarded or lessened, will soon be such as to make a warning wholly unnecessary. Results will be seen everywhere.

Most things that Mr. and Mrs. Public have to say about real estate people are not good. If you don't believe that try to find out for yourself. You'll be

startled and amazed. Don't ask questions among your friends or associates. They'll be too mindful of your feelings to tell you the truth. Try to get into a conversation, if you can, with a group of strangers who do not know what business you are in. Get them started on real estate, the men in the business and how they behave themselves. You'll be shocked. I was. Here's why!

The demands for qualifying as a real estate broker or salesman do not automatically command respect such as with doctors, lawyers, or dentists, for example. Our educational qualifications are practically nil. This is not to say that there are not misfits and scoundrels in all those other businesses because there are, but, on the face of it, any of the people in those professions or callings are known to have submitted themselves to years of training and stiff examinations and thus, at first blush and until one finds out differently, they are rated high. Not so with realtors or real estate people in general. To be sure, standards have been raised greatly during the past 20 years, but we still have a long way to go and without any very definite laws to force the issue. We must make our own laws and rules of conduct until something better and with greater force comes along. Until then, what are we doing?

Have We Really Changed?

First, we have not gotten ourselves wholly out of the horse-trading, auctioneer-type, office-in-his-hat category which typified real estate speculators of a few years back. Oh yes, we have brightened our offices, shaved regularly, gotten a license to operate, changed from a buck-board wagon to a sparkling automobile and we no longer run an undertaking, furniture and small loan office in conjunction with our real estate business. But those changes have all been in what I would call the outward manifestations of our business. Have we changed inwardly in our attitudes as to what constitutes good sound practice? I wonder. Let's see.

In any sizeable community having any considerable real estate brokerage business, and where the parties thereto could not have known each other before the transaction, it will not be difficult to find many people who feel that they have been "taken in" or duped by some sharp operator. (In smaller communities prospects know the brokers — or can know them in advance — and either trust or distrust them, as the conditions warrant — by reputation). Or, and worse still, these people get into the hands of the war-born youngster in the business who just doesn't know, and who is obviously more interested in raking in the commission than in doing a good job.

What Impressions Are We Making?

One prevalent public attitude today is that the first thing a broker or salesman does — the very first thing, mind you — is to suggest that the price is so-and-so but that you can probably get it for such-and-such, naming a much lower figure. Or, from the owner's standpoint, the very first thing the dealer does is to start drilling on obtaining a lower asking price than the owner desires. This leads the owner to feel (with some justification) that the sole aim of his chosen real estate man is to list the property at a price which will make selling a cinch and thus clinch an easy commission without expense or delay. We have brought all this on ourselves and must suffer the penalty until we change it.

Today there seems to be about three accepted

methods of taking listings: 1) a sales manager or "boss" visits the property and fixes the price, or 2) a salesman brings in a listing and then a "caravan" of sales people visits the property and a comparative price based upon their composite figure is fixed, or 3) salesmen are paid a fee, 10% or so, for bringing in listings and are therefore on the alert for listings without too much regard to saleability. Almost all of this — if not exactly all — is pure hit-and-miss operating.

I have seen sales managers or "bosses" make estimates of sales prices. They spend far too little time at it. A quick trip through the property, a glance at the exterior from the yard and bingo, out of their experience, a price comes to mind. And it may be and usually is just about what the property will bring. But the owner feels (especially if it is a property worth more than say \$10,000) that his problem, his home, his investment in it wasn't given very thorough consideration. It was too fast, too easy, nothing to it. Why pay 5% commission for anything that simple? He is shown nothing in the way of down-to-earth figures as to *why* the boss thinks as he does.

As to the business of having the caravan see the properties, troop through them, and then estimate the probable sales price by adding up all the guesses and then dividing by the number of guesses, that is usually just what it appears to be — a huge guessing contest. Sure, the answer may be nearly correct, but who will recognize such methods as being worthy of a business which is attempting to grow into being a profession? It would be like having 10 doctors guess at what was wrong and if six voted for a bad liver and four against, out would come the liver. Wouldn't you rather choose the man best qualified by reputation and results to survey the situation than to just hold "open house" and let the knife fall where it might?

What Are Effective Ways?

There are ways of coming fairly close to estimating what any given property will bring but such methods take more than five minutes and do not involve multiple guesses. Furthermore, if the evaluator will actually sit down and figure out, on paper, after taking measurements and so forth, there will be something for the seller to see, reasons why, as it were, the evaluator arrives at any certain figures. A certain margin for error can be added — and usually is — at both the top and bottom estimated sales price. This isn't an exact science and there should logically be a "highest" price to strive for and a "minimum" price which the owner will take. There should not be more than, say \$19,000 to \$21,500 on a house that actually figures out at \$20,000 by accepted appraisal methods.

What are such methods? Present cost of reproduction, plus extra improvements, plus the lot, less depreciation for age, obsolescence, wear-and-tear, neighborhood changes, and so on. Every person in the business worthy of offering his services as an advisor to buyers or sellers should in a non-professional but convenient and competent way, be able to do just that. It is the only answer. Then either list properties at the figures arrived at or don't list them. Don't tread water!

Our reputations are what people say behind our backs! What are they saying about the operator who takes a listing at \$30,000 and then bobs up after

(Please turn to page 46)

More and more prefabricated homes are being erected, from the pre-cut house package to the factory-fabricated fold-out type. For those readers who may be considering using prefabs, JOURNAL editors present in this article a round-up of the most popular designs of leading manufacturers, a summary of the industry, and opinions from dealer-builders throughout the country. Their sales and financing problems and experiences may help you decide . . .

Should You Sell Prefabs?

LAST year 6% of all new homes built were prefabricated. If better design, improved engineering, and greater public acceptance are any measure, 1953 may set a new record. Some prefabbers say the industry may capture 8% of the total house market in '53.

These figures point up the trend. As established realtors or real estate builders, you have undoubtedly sold, financed, built or appraised many prefabricated homes already. For the benefit of readers who may be considering a prefabricated home dealership, or building a project of prefabricated homes, JOURNAL editors have interviewed leading manufacturers and dealer-builders.

In Indiana, the "hot spot" of prefabrication, manufacturers of factory built homes have a firm grip on 30% of the market. In some cities, Fort Wayne for example, more than 70% of all new homes are prefabricated.

Problems which beset the industry at the start are being solved. Manufacturers are succeeding in cracking "racketeer" building codes in large metropolitan areas, getting blanket approval over whole new areas. Negotiations with previously rebellious labor unions have been worked out. Now most unions are on the prefabricators' side. "Bring us work," they say. Financing problems seem to be no more serious than for conventional builders.

But the picture is not completely rosy. The industry's future is assured, but there are obstacles to be surmounted. There is still a carryover of public prejudice from early war days in some areas, especially among higher income groups. Although a few manufacturers offer homes in the above \$12,000 bracket, the bulk of prefabricated houses are in the \$8,000 to \$12,000 range.

Others who would seem to benefit less from prefabrication are realtors and builders in areas not adequately served by a manufacturer or where competition has already cut prices to the bone, making prefabrication unprofitable for a small volume operation. In the case of custom builders, many prefer custom work for the sheer fun of constructing original designs. In other cases, large volume builders cut costs through their own prefabrication methods, and some builders say they can build a better-designed house than the prefab industry has offered. Codes in some cities still prohibit prefab methods of construction.

More Money for Research

These problems only offer a challenge to this virile industry. More money is being spent by prefabricators for research. For example, the Prefabricated Home Manufacturers Institute has set up a committee on research. Nearly half the major firms are mak-

ing plans to include year-round air conditioning in future models.

The 1953 models showed big strides in design and utility. Trends especially evident in these models are: more storage space . . . special eating areas . . . larger, better equipped kitchens . . . wider choice of exterior materials . . . garages or carports attached . . . improved exterior and interior designs . . . extra bath facilities . . . full basements or utility rooms . . . more flexibility of rooms.

Distribution and marketing are problems to be overcome. Major manufacturers find one solution to be decentralization. Far-flung plants open up new trade areas, cut hauling costs. Prefabrication has spread to about 40 states, 30 of which have prefabricated home manufacturing plants.

What Dealers Say

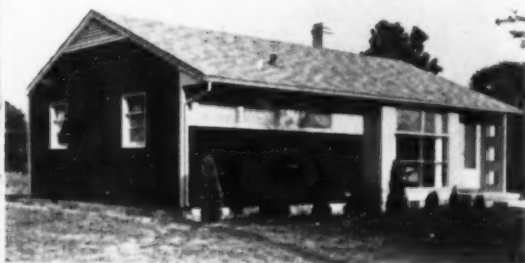
In weighing the question of "Should you sell prefabs," what factors should be considered? Perhaps the best advice comes from established dealers. What are their experiences? What do they say are the advantages of building and selling prefabs? The disadvantages? What are their sales and financing problems?

Dealers interviewed by JOURNAL editors cited a great many advantages. Those mentioned most were: better grade of lumber . . . material is machine cut — more



UNIT STRUCTURES: 3-bedroom Unit Rambler features $1\frac{1}{2}$ baths, picture frame windows, central hallway, basement, large closets, and laminated roof

PEASE WOODWORK: Longwood plan 21-22 is L-shaped, has 3 bedrooms, 2 baths, ceiling-high sliding cupboard doors and ample closet space



THYER MFG. CORP.: #2380 series, 3-bedroom house features outdoor storage area, sliding flush birch wardrobe closet doors, and kitchen eating nook

SOUTHERN MILL & MFG. CO.: This most popular design features living room with dinette L, 2 bedrooms, large kitchen, storage closets, and garage



GENERAL INDUSTRIES: Lawrence 79'er, popular inexpensive model, has three bedrooms, attic storage space and large living-dining room

NEW CENTURY HOMES: Design features 3 bedrooms, utility room, slab or crawl-space, Youngstown kitchen, Rusco windows, choice of exterior



KNOX: The Calhoun, Model 221, has generous living-dining area, 3 bedrooms, utility room, hardwood floors, plaster-board walls, and trussed roof

JOHNSON: Middlesex, 3-bedroom ranch, has kitchen at front of house, basement, sliding closet doors, exterior elevations, wide roof overhang



NATIONAL HOMES: Monterey, 2-bedroom home with all-purpose room, has large kitchen-dining area, automatic furnace, water heater, ample storage

PAGE & HILL: Juilaire has Thermopane window, all-purpose room, glass partition between entry and living room, sliding door wardrobe closets



HARNISCHFEGER CORP., P & H HOMES: Model #5-A336-53CP has 3 bedrooms, carport, fireplace, air conditioning unit, Thermopane and Rusco windows

W. G. BEST: 3-bedroom DeVille is planned for enlarging room sizes. Walls of garage allow for easy expansion. Kitchen heating facilities



accurate . . . saves labor and material . . . more efficient floor plans . . . ease and speed of erection . . . fast turnover of builder's invested capital . . . reduced overhead . . . less personnel on payroll . . . structural soundness . . . better cost control . . . more volume per year . . . additional services, such as engineering, plotting of sites, financing, bookkeeping, business counselling and advertising offered by manufacturers . . . lower downpayments . . . predetermined value and costs.

In Fort Wayne, prefab boom town, Realtor-Builder Ralph Shirmeyer says there are two basic reasons why he prefers to erect prefabs over conventional. "First, through the years, we've found we can build at least four times more houses yearly with a given amount of manpower than with conventional construction. Secondly, we've consistently found we cannot compete with ourselves price and/or quality wise with conventional construction. Several times we have experimented by duplicating the exact floor plan of a prefabricated house conventionally, and in every case we found a difference in the end price of the house of at least 15% in favor of the prefabricated house. We've also found that since we have produced a reasonably large volume of houses each year, the house for house quality has been more easily maintained with prefabricated houses than it would have been conventionally."

What Are Their Drawbacks?

As far as disadvantages are concerned, most of them were created when the industry was young. Builders who had little experience in real estate development threw up projects which discredited the industry. They didn't realize that it takes more than a knowledge of how to put a house together to plan a real estate development and merchandise it successfully. As one manufacturer says, "We supply the house, but what the builder does with it is another thing."

Manufacturers still have to combat somewhat the sharp operator interested in making a "fast buck," but the problem isn't as great as before. Most dealers have to meet rigid qualifications. Manufacturers want realtors and builders who are established and whose reputations will be a credit to them. In general, manufacturers cite these qualifications: experience in real estate or building,

adequate working capital, good local reputation, desire for operating at and making a profit.

As an established realtor or real estate builder, you can draw on your experience in all phases of real estate in handling prefabs. One manufacturer says that more than 80% of its authorized dealers are real estate firms. "We find, with training from our field engineers, that these firms are able to set up an erection organization and more than double their present business and offer a better balanced service to their clients."

What disadvantages or sales problems do established dealers cite for prefabs?

Scott E. Weller, Champaign, Illinois says it's "general misinformation — or lack of information — on the part of customers and competitive builders."

Ted Maenner, Omaha realtor-builder, says it is similarity.

Clarence L. Baldwin, Hammond realtor-builder says there are no disadvantages "unless you want to build a custom house and vary room sizes and floor plans."

Dewey Wilkins, Traders Realty Corporation, Peoria, cites "just the name prefabricated" as a disadvantage.

Shirmeyer says there are relatively few disadvantages to prefabs. "However, we've found that the prefab fails when the customer no longer wants the greatest amount of quality space for his dollar, but wants to individualize his particular house. This, of course applies to the above \$20,000 bracket. It is in this category only that we feel our conventional operation is of service to us."

Robert Abercrombie, Cincinnati, says, "There are disadvantages to one house that may not apply to another. For the better prefabs, I find very few disadvantages. Most of them are well constructed and adaptable to individual desires."

Otto C. Stephani, Des Plaines, Illinois, cites as a disadvantage the "perennial rectangular shape they adhere to."

Harry G. Hermann, Syracuse, New York, says weather is a problem. "You must have a good day for erection."

C. J. Goucher, Madison, Wisconsin: "Possibly too much repetition in design. Too many being erected by jerry builders."

Henry Chaloron, New Orleans: "Necessity for overcoming erroneous ideas which uninformed people — including officials — have

about prefabrication."

How about public acceptance?

Baldwin says it's excellent in the Hammond area. Wilkins says prefabs have wide acceptance in Peoria, "not 100%, but at least 75%." As proof, Wilkins says he has been able to sell many prefabricated owners another prefabricated house.

Shirmeyer says acceptance is a "foregone conclusion in Fort Wayne since approximately 70% of all the houses built here are prefabricated." A constructor of some 2,000 prefabs, Shirmeyer says, "We find an increasing number of repeat sales from people who purchased their houses when their families were smaller, and who now need larger houses. An interesting fact is that in all our resales of this type, the purchaser has always received more than he had originally paid for the house."

Typical comments made by prefab owners to Maenner in Omaha are "a grand investment for us," or "our friends compliment us."

Chaloron says acceptance in his area is excellent. He has built and sold 400 prefabs ranging in price from \$7,500 to \$28,000. Other New Orleans builders have sold more than 2,000 prefabs by the same manufacturer.

Hermann says the younger generation has taken prefabs for granted in Syracuse.

Des Plaines buyers tell Stephani: "It's the coming thing. I don't see why houses shouldn't be factory-made; everything else is."

Weller reports excellent acceptance in Champaign. "Our firm last year built over 50% of all new residences in the cities in which we operate."

Abercrombie says acceptance is good in Cincinnati. "Most people remark about quality of material and show surprise that prefabs are so well constructed."

Not all the dealers interviewed have it so good. C. J. Goucher says acceptance of prefabs in Madison is not too good. Comments he has met are: "Cracker boxes . . . too lightly constructed . . . usually easily spotted . . . not enough savings in cost . . . difficult to fit custom needs."

Biggest problem facing individual dealers is financing. Although most major manufacturers offer interim financing, permanent financing is another problem.

Goucher obtains financing

(See chart on page 28, then please turn to page 49)



MODULAR HOMES: 3-bedroom home with carport emphasizes indoor-outdoor living with large glass areas, open planning. With or without basement

ADMIRAL HOMES: Central hallway is accessible to all parts of this 3-bedroom home. Hip roof has 2' overhang. Bedroom windows are built high

MODERN HOMES: Architect-designed "Windsor" features well-planned space, 3 bedrooms, garage, utility room or basement, choice of 5 exteriors

SOUTHWEST AMERICAN HOMES: Design #720, economy plan, has 2 bedrooms, garage, concrete slab foundation, oak floors, tiled bath, large kitchen

FLORIDA BUILDERS: Miracle home has screened-in garden with French doors opening into living room, carport, 2 bedrooms, aluminum tile bath

YETTER HOMES: Low maintenance house features aluminum awning windows, minimum exterior woodwork, durable asbestos siding, large rooms, closets

MIDWEST HOUSES: This 3-bedroom house emphasizes open planning. It has good storage facilities, well-equipped kitchen, carport or garage

CONNETT ENGINEERED HOMES: 3-bedroom model #C-877 has dining nook off living room, central hallway, ample storage, open carport and porch

GBH-WAY HOMES: 3-bedroom B507 is distinguished by extended cornice and shadow line gables. Cased opening out of kitchen cuts main room traffic

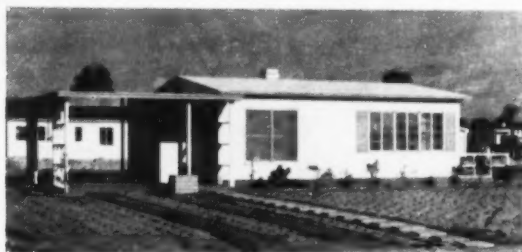
U. S. STEEL HOMES, INC.: 3-bedroom Coronado with window bay, picture window, and wide roof overhang, features easy cleaning, low cost maintenance.

IVON R. FORD: Model 15207B has garage, full basement, large kitchen, birch flush doors, hardwood floors, is factory wired and insulated

RICHMOND HOMES: 3-bedroom Laredo features open-flow planning, broken front elevation, living room in rear. Either full basement or slab

AMERICAN HOUSES: Model #253 is equipped with Carrier air conditioning, Youngstown kitchens, 1½ baths and garage. Exterior has 7 elevations

LUMBER FABRICATORS: Sunburst has 3 bedrooms, attached garage, large kitchen, living-dining room, ample storage space, large block window



FACTS ABOUT PREFABRICATED

Manufacturer	Trade Radius	Where Dealers Needed	Local Subcontracting Required	Delivery Time	Erection Time
ADMIRAL HOMES, INC. Pittsburgh, Pa.	300 miles of Pittsburgh	Pa., Ohio, W.Va., southwestern N.Y.	Masonry, carpentry, plumbing, heating, wiring, plastering, painting, tile	7 to 10 days	2 to 3 days
AMERICAN HOUSES, INC. New York, N.Y.	Eastern Seaboard, Mass. to Ga., Ala., Tenn., Ky.	N.C., S.C., Ga., Tenn., Ky.	Masonry, plumbing, electrical, painting, (heating except in air conditioned houses)	2 weeks	½ hr. per square foot to completion
W. G. BEST FACTORY-BUILT HOMES, INC.* Peoria, Ill.	Midwestern states	Vacancies except in Illinois	Plumbing, heating, wiring, sheet metal, painting, decorating	2 weeks	Under roof in one day
CONNETT-ENGINEERED HOMES St. Joseph, Mo.	300 miles of St. Joseph	Need dealers in trade area	Foundation, erection, wiring, plumbing, heating, painting	2 weeks	30 days for completion
FLORIDA BUILDERS, INC. St. Petersburg, Fla.	Florida	Only a few dealerships left	Plumbing, electrical, plastering, masonry, glazing	Within 10 days	3 weeks for completion
IVON R. FORD, INC.* McDonough, N.Y.	Northeast 500 miles of factory	N.Y., Pa., N.J., New England, Md., Washington, D.C.	Foundation, plumbing, heating, decorating	2 to 3 weeks	60 man hours for erection
GBH-WAY HOMES, INC. Walnut, Ill.	Ill., Ia., Ind., Wis., Mo., Mich., Ohio, Neb., Ky.	In entire trade area	Foundation, heating, wiring, plumbing	3 to 4 weeks	3 days
GENERAL INDUSTRIES Ft. Wayne, Ind.	Metropolitan Ft. Wayne	300-500 miles of Fort Wayne	Plumbing, small electrical	2 to 3 weeks	1 day
HARNISCHFEGGER CORP. (Houses Division)* Port Washington, Wis.	1,000 miles of Port Washington, Wis.	Throughout the territory	Plumbing, heating, wiring, painting, concrete, masonry	10 days	Under roof in one day
JOHNSON QUALITY HOMES, INC. Pemberton, N.J.	300 miles of Pemberton	Certain areas still open	Masonry, carpentry, plumbing, heating, electrical, painting, grading, landscaping	3 to 4 weeks	Under roof in one day
KNOX CORP. Thomson, Ga.	Virginia, southeastern seaboard to middle Fla.	N.C., S.C., Tenn., Fla., Ala.	Electrical, plumbing, painting, floor sanding	3 to 10 days	30 to 40 days to complete
LUMBER FABRICATORS, INC. Ft. Payne, Ala.	East of Mississippi	East of Mississippi	Need erection crews, plus all local subcontractors	2 weeks	30 to 60 man hours
MIDWEST HOUSES, INC. Mansfield, Ohio	250 miles of Mansfield, Ohio	Need dealers in area	All trades, carpentry, erection and finish handled by dealer-builder	2 weeks	30 days
MODERN HOMES CORP.* Dearborn, Mich.	15 states in eastern, north-central and midwestern U.S.	Throughout area	Masonry, plumbing, electrical, finished carpentry, painting, landscaping	Less than 2 weeks	Under roof in 32 man hours
MODULAR HOMES, INC. St. Louis, Mo.	500 miles of St. Louis	500 miles of St. Louis	Plumbing, heating, wiring, concrete, masonry, painting, flooring	5 days	300 carpenter hours
NATIONAL HOMES INC.* Lafayette, Ind.	East of Rockies except Texas and Southern Fla.	Dealerships available in all parts	Masonry, plumbing, wiring, heating, painting	6 days	180 man hour for erection, trim and roof
NEW CENTURY HOMES, INC. Lafayette, Ind.	350 miles of Lafayette	Many good cities still available	Plumbing, heating, painting, decorating, masonry, electrical	3 days	Under roof in one day
PAGE & HILL HOMES, INC. Shakopee, Minn.	Minn., Wis., Ia., Ind., Ill., Mo., Kans., Neb., N. & S. Dak., Wyo., Mont., Col.	Dealers welcome anywhere in territory	Excavation, foundation, subfloor, finish floor, mechanics, landscaping	2 weeks	Under roof in one day
PEASE WOODWORK CO. Hamilton, Ohio	450-500 miles of Hamilton, Ohio	No franchised dealers. Sell to anyone	Heating, wiring, plumbing	2 to 4 weeks	6-8 weeks for completion
RICHMOND HOMES, INC. Richmond, Ind.	750 miles from Richmond	Everywhere, eastern U.S. especially	Plumbing, heating, electrical, foundation	2 to 4 weeks	Under roof in one day
SOUTHERN MILL & MFG. CO. Tulsa, Okla.	1,000 miles of Tulsa	Okla., Kans., Neb., Mo., Rocky Mountain area	Plumbing, wiring, painting, heating	1 to 4 weeks	¼ man hour per square foot
SOUTHWEST AMERICAN HOUSES, INC.* Houston, Texas	300 miles of Houston	South, Southwest	Masonry, plumbing, electrical work, painting, carpentry	10 days	48 man hours to complete enclosure
THYER MFG. CORP.* Toledo, Ohio	31 states east of Rockies	Ky., Penn., Mich., Wis., Ill., southern states	Heating, plumbing, electrical, masonry, painting, metal work	10 days to 2 weeks	Under roof in 48 man hours
UNIT STRUCTURES, INC. Peshtigo, Wis.	Middle West	Ill., Ia., Minn., Mich.	Masonry, heating, plumbing, wiring	4 weeks	Under roof in 96 man hours
UNITED STATES STEEL HOMES, INC.* New Albany, Ind.	All of U.S. except west of Rockies	South, Southwest and 350 mile radius of Harrisburg, Pa.	Concrete work, plumbing, electrical work and painting	10 days to 2 weeks	Under roof in one day
YETTER HOMES, INC. Savannah, Ga.	600 miles of Savannah	Fla., Ga., S.C., N.C., Ala., Va.	Electrical, plumbing, painting, roofing, flooring	5 days	3 days for completion
E. F. HODGSON CO., INC. Dover, Mass.	Outside of Massachusetts	300 miles	Foundation, plumbing, heating, wiring, decorating	2 to 3 weeks	Under roof in one day

* See advertisement in this issue.

FED HOME MANUFACTURERS

e	Basic Floor Plans	Price Range	Min. Order	Dealer Qualifications	Financing Offered Dealers	Sell Only Through Dealers?
13		\$ 8,000 — \$15,000	One	Experience in real estate, building, financing. Must erect model home with sales, erection forces provided	Help arrange FHA, VA or conventional bank or building and loan financing	Mostly no, in certain cases yes
Over 100		\$ 5,000 — \$40,000	One	Competent builders and realtors; sound financial status	None	Yes, only through builders or realtor-builders who are protected in areas of operation
18		\$ 5,500 up	One	Good financial status; fulltime builders or realtors	None	Yes, except in certain areas
40		\$ 3,000 — \$10,000 for package	One	Approved builders financially sound	Interim financing arranged	Yes
16		\$ 5,250 — \$15,000	None	Recognized good builders, financially capable	None	Yes
50		\$ 7,000 — \$40,000	One		Help arrange for FHA and VA financing. Interim finance plan for package	Sell through dealers, but not exclusive
27		\$ 2,995 — \$ 8,340	One to 4 houses per year	Sound credit rating; real estate or building background preferred	Our houses meet standard loan requirements	Yes
7		\$ 6,000 — \$12,000	One	Good credit rating, reputation, experience, sufficient working capital	FHA approved credit extensions; construction advances, FHA or VA through affiliated mortg. company	Only through dealers, but may or may not be exclusive
12		\$ 8,000 — \$15,000	Varies according to dealer	Financial stability, successful business background, good local reputation	Interim financing through Builders Acceptance Co., a subsidiary	Yes
9		\$ 5,000 — \$30,000	Will accept 1. Prefer from 5 to 50	Good experience, financially qualified	Special conditional sales and mortgage agreement offered	Yes
9		\$ 5,000 — \$17,000	Depends on dealer — usually 5	Knowledge of construction and materials, financial responsibility	Deferment of the house package. Assist in helping locate permanent financing	Yes
75		\$ 6,000 — \$60,000	One		25% down — balance terms	Yes
10		\$ 7,500 — \$25,000	None	A strong, going concern	None	Sell through dealers, but not exclusive
11		\$ 7,000 — \$25,000	One	Qualified builders, established reputation, adequate financial backing	Interim financing; help in placing permanent mortgages	When situation warrants
6		\$13,000 — \$17,000	One	Financial responsibility, ability to build, good sales organization	None	Yes, except in St. Louis county
30		\$ 6,500 — \$15,000	2 houses per month per year	Adequate finances and thorough knowledge of real estate, construction, sales, financing	Interim and permanent financing in Central States region	Sell only through authorized dealers
200		\$ 6,500 up	None	Experience in real estate or building, adequate working capital, good local reputation	Offer advisory financial assistance and establish contacts between lenders and their builders	Yes, both exclusive and non-exclusive
14		\$ 7,000 — \$14,000	None	None	Financially sound, thorough building experience, good local reputation	Yes
11		\$ 2,650 — \$ 5,554 for package	No minimum		None	Sell to anyone
15		\$ 8,000 — \$15,000	None	Qualified builders, financially responsible	Normal credit on package only	Franchises given in certain localities
10 reversible plans, plus custom designs		\$ 6,400 — \$9,900	One	Building experience, financial ability	None	Sell industrial customers mostly, protected territory for certain dealers
9		\$ 5,000 — \$10,000	10	Experience, good reputation, financial responsibility	Assist in locating permanent and interim financing	No, but sell only to builders
30		\$ 9,000 — \$14,000 complete	None	Substantial financial statement; good reputation in trade area	50-day interim finance for package; 2% discount cash and C.O.D. Aid in finding mortgage money	Yes
36		\$ 9,000 — \$15,000	One	Experienced realtor or builder	Help develop local financing	Yes
72		\$ 6,500 — \$12,000	None	Reputable businessman who can organize all details. Working capital of \$15,000 preferred	Interim financing plan	Yes
8		\$ 4,750 — \$ 5,500	None	Dealers must purchase 50 houses per year	None	Yes
No stock plans		\$ 8,000 — \$60,000	None	Experience, financial capacity	Cooperate with construction payments on bank commitments	No

Eight Important Management Questions

- Should management be combined with other activities?
 - What percentage of total business volume should originate from management?
 - Should departments be kept separate?
 - How can business best be originated?
 - Should salesmen be given extra compensation for getting management business?
 - At what salary should male property managers start?
 - How important is it to train managers before they are given property?
 - At what salary should stenographers be started?
- Here are answers by successful property managers**

IS your firm prepared to meet the return to a free rental market? Harder-to-please tenants will be eyeing your management services critically. Keeping a high occupancy rate in your apartments will mean sharpening your service, solving today's special problems. Here are solutions and opinions from leading managers across the nation.

First, should management operations be combined with such other activities as brokerage, mortgage financing and building? Most managers surveyed say yes, that this is advisable — even essential.

"It's definitely true," says an Alabama realtor, "in cities under 100,000 population. It takes other operations to feed business to the property manager."

A Philadelphia realtor agrees. "I feel very strongly that, in order to pay, management business must be combined with a fully rounded real estate business. That includes brokerage, financing and insurance."

How much total business should originate from the management department? Should departments be kept separate? Many firms surveyed estimate all the way from 10% to 50% of the total business should come from the management department.

Some believe that departments and department personnel should be kept separate, that the property manager should not try to combine other activities.

"Management is an important function and should rate its own set-up," firmly states one New Jersey realtor. A Pennsylvania realtor agrees and goes a step farther. "Management activities should be departmentalized also according to commercial and residential property," he says. "Each has special problems."

Other management firms, however, particularly small organizations, agree with a New York realtor who finds it an advantage to give managers fewer properties to manage and a chance to earn commissions.

A realtor in Tulsa, Oklahoma likes to keep his hand in the management end of his buildings. For each property he hires a building superintendent who has a knowledge of building operations and who is also an engineer. This man is on call seven days a week and is paid a salary over and above the regular rate for first-class engineers.

The realtor finds this more desirable than employing an over-all building manager because he is then able to make his own decisions on important questions, and it cuts operating cost on all buildings.

How is management business originated? A few firms surveyed depend on word of mouth. Most, however, rely on their brokerage department, direct solicitation, and advertising.

A Pennsylvania realtor credits the biggest part of his business to the sales effort of his men. "If an owner is interested in selling a building we manage for him," he says, "we attempt to sell it to a client who will be in need of continuing our services. In that way, we don't sell ourselves out of management business. Similarly, we are constantly searching for owners, either as individuals or as syndicates, who are interested in buying real estate and in having us manage the property for them."

Should salesmen be compensated for obtaining management business? Many firms say "no, we offer no extra compensation over and above a salary."

One Florida manager pays a flat fee and gives the salesman control of sales originating at that source.

A Pennsylvania realtor pays leasing salesmen a straight salary, no commission or bonuses. But at the end of the year, the bonus they receive is directly determined by their year's volume business.

How much starting salary should be paid a property manager before any commission?

Starting salaries range from \$200-\$400 (depending on experience) in North Carolina, to \$326-\$433 a month in Massachusetts. One New York manager pays \$65 to \$75 a week plus commission on leases, sales, and mortgages. Rather than departmentalize the work, most property managers are given actual property to manage under supervision of the realtor.

Should managers be trained before they are given property to manage? Seventy-five percent say yes. A New York manager, however, feels it is more effective to train managers gradually as they are given more responsibility.

At what salary should stenographers be started? This, naturally depends on the going rate of the locality, and there is a great variance. Most stenographers are started lower than the average wage for that work in the locality, then raised as their services increase. In Washington, D. C., a realtor pays \$252 a month. In Mississippi, a firm offers \$125 a month. In Missouri, a realtor pays around \$240 a month, in Michigan \$225, Virginia \$210, Ohio \$208, New Jersey and Pennsylvania \$190, Texas \$150.



Buildings are arranged in saw-tooth fashion to take advantage of the view

These Painesville apartment houses solve two problems: 1) how to achieve a "house and acre" atmosphere yet provide efficient, modern apartment living, and 2) how to take advantage of bluff-top site with a magnificent view. A realtor-architect team developed this pleasing solution

Designed for a view

Typical living room has 14 foot picture window overlooking the balcony to the river valley below. Door leads directly to balcony. A high iron railing keeps children safe

IF you're looking for modern apartment house design ideas, particularly for suburban hill-top sites, the Walban Apartments in Painesville, Ohio, may suggest solutions. Located on 3½ acre site overlooking the Grand River Valley, this \$500,000 project is owned by Milton J. Ludwig of the Ludwig Realty Corporation, Painesville realtors, and is financed and managed by the Walban Realty Corporation.

The five-building development is so designed that every one of its 45 suites has a picture-book view of the adjacent river valley. Buildings are staggered in saw-tooth fashion down a U-shaped mall. Thus, instead of apartments looking directly across at its neighbor, each looks over a few hundred feet of landscaped lawn and out over the valley.

To bring the view inside, a floor-to-ceiling picture window runs 14

(Please turn to page 49)



MEL FOSTER CO., INC.

REAL ESTATE
PROPERTY MANAGEMENT

INSURANCE & BONDS
MORTGAGE LOANS



The Foster organization recently remodeled this 20 by 100 foot location for its offices. The attractive facade typifies the firm's home building, brokerage, management, mortgage financing activities

Inside, Shaw-Walker steel files double as office counter space. Large, space-saving desks toward the rear are specially made to serve four salesmen. Executive offices are located in the rear

Typical of Foster's larger homes is this \$23,000 model. It has 1,400 square feet of area including breezeway and garage. Lot size is 100 feet. Foster also builds for sale in the lower price bracket



GOOD employees are basic to your success. If you get the right kind of people to work for you, you'll get the right kind of business. But how do you select these people? How do you train them? What will make them stay with your organization?

Mel Foster, president of the 32-year-old Mel Foster Company, Inc. of Davenport, Iowa, feels so strongly about employee selection and training that he puts special emphasis on it. Proof of his success is low employee turnover. A large group of officers and employees have been with his organization for

How important is

Selecting good employees is essential. This Davenport realtor-builder does it by taking only those who *want* to work for him. But there's more to it than meets the eye. He makes each job interesting and valuable. Every employee can give service in any department — brokerage, management, home building



more than 20 years. Many others have 5, 10, or 15 years service.

A cardinal rule of Foster's is — never *seek* an employee, whether he be a clerk-typist or a vice-president. The prospective employee must come to Foster and must *want* to work for the organization.

Foster will not accept salesmen from other real estate organizations. Most members of his sales staff gained their first experience in selling real estate with him. All *wanted* to work for the company.

Another basic is that any Foster employee must be able to give customer service in every department. This makes each job more interesting and profitable for the employee, and he becomes more valuable. It also improves client relations. Foster's theory is, "Business for every department benefits everyone."

In some organizations, salesmen do not realize the importance of developing mortgage loan, insurance or others types of business which do not pay as handsomely as sales. In the Foster organization, his theory is driven home continually, but more especially during a salesman's training period. Each of the 20 salesmen are shown how the less lucrative functions of the company are essential to its long range success. They are made familiar with all operations, from home building to apartment management. They are shown how a complete real estate service works and why it is a hedge against economic ups and downs.

This practice enables salesmen and all other employees to create business for all departments, to use the principle that one department feeding another is basic to a well-rounded real estate organization.

employee selection?

Foster rounds out — or diversifies — each department's functions too. For example, the company builds homes in all active price ranges rather than specializing in one. The firm has constructed 31 subdivisions with from 12 to 253 lots to serve all income groups. The company averages 50 homes per year directly (built for sale), 250 to 300 indirectly through cooperation with other builders. Currently they handle sales for three of the four other leading builders in the Quad-City area. Since the company started its home building department, it has constructed more than 1,100 homes for sale.

Property management accounts include apartment buildings, office and commercial buildings, and rental homes. Management permits company contact with more people, many of whom are prospective home owners. It is another economic hedge. When home building is down, management is up, as Foster says.

Versatility is another Foster basic. He believes a successful real estate organization should be able to provide real estate service and leadership when and where it is needed. For example, during the war and post-war years, thousands of war workers and new industrial payroll people streamed into the Quad-City area, creating a dire need for economy housing. Foster immediately geared a major part of his building programs to provide that type of housing.

In addition to its regular operations, the Foster firm, working with the mayor, city council and other civic leaders, created Veterans Housing Corporation, a non-profit body to provide rental housing.

In addition to Veterans Housing Corporation, the community business leaders capitalized a company known as Davenport Garden Homes, Incorporated, for the purpose of building additional rental and low-cost houses. The Foster organization has managed and operated this company along with its own competitive construction operation since 1942. Davenport Garden Homes is a cooperative movement that brings in many of those in the building industry including material dealers, realtors, and others.

Along with a substantial number of expensive and medium priced homes, the Foster company still provides low cost housing in the Quad-Cities.

The largest transaction involving housing that the organization has had a part in was the consummation in April, 1953, of the sale of 654 home sites to the Beck-Utah Corporation, which is now building this project and will have some of the houses ready for occupancy this Fall. The Foster organization handled the negotiations for this property, together with the land planning, and is handling the mortgages amounting to some \$6 million.

Foster's commercial and industrial real estate activities are important as feeders to other departments. For example, Foster assembled the land for \$70 million Alcoa rolling mill in Davenport. But the benefits didn't stop with the commission. As part of the project, the company supervised the construction of 130 houses for key Alcoa employees and staff.

Another transaction involved assembling 46 pieces of property in downtown Davenport for Sears, Roebuck & Company at a cost of \$500,000. Still another was the sale of the Burry Biscuit Company in West Davenport for \$525,000 including land. Both transactions led directly to business for other departments.



Foster applies vigorously the principle of one department's feeding another. After assembling the land for a \$70 million Alcoa plant, the firm supervised this 130-house project for key Alcoa employees



Property management is an important phase of the Foster operation. Mt. Ida Apartments, above, contain 44 units renting from \$82.50 to \$90 per month. The firm also manages single-family homes

Management operations in the company are diverse. The Fifth Avenue Office building, one of the largest in Davenport, is managed by the Foster company. It contains 100,000 feet of rentable space



The Split Level:

The split-level is a best seller in the East. What makes it so popular there? Architects, builders, and realtors interviewed by JOURNAL editors say it makes good sense on sloping sites and in climates requiring deep footings. In warmer climates, they say it's uneconomical and has less popular appeal

THE split-level home is probably the most controversial newcomer in house design since the ranch style. Just what kind of house is this newcomer? Does it meet a real need, or is it just a passing fad? Is its popularity limited to the East where it is selling like hot cakes, or will it spread? What are its advantages to the realtor-builder? To the home owner?

To find the answers, JOURNAL editors interviewed leading realtor-builders and architects.

First, what is a split level? Basically, it combines a ranch style's convenience and openness with the economy and privacy of a conventional two-story. Activity rooms are separated from sleeping rooms by a short flight of stairs, usually six steps. This retains convenience and gains privacy where it is needed. The house is not cut up with partitions and stairways, supposedly offering more livability in less space.

In a typical three-level plan, garage, laundry and recreation room are on the first level, only a few steps down from the main floor. Just below grade level and convenient to the outside, this area allows for large windows above grade for light and ventilation.

Designers of the split level, such as Architect Samuel Paul, call the plan exciting, say that even in

small homes a feeling of spaciousness is achieved. The entire ceiling plane is visible from a larger area, and the high ceiling in the living room increases its apparent size.

"The split-level offers more flexibility than a conventional home," Paul says. "The area can be subdivided according to individual needs. Some plans can even include a complete income-producing apartment in the bottom level, and it is possible to build additional rooms at a bargain price in the space under the raised level. You can do the same above the lower level."

One of the distinct advantages of the split level is its simple adaptation to a sloping site. It makes good use of inexpensive cubage between foundation walls, and in many cases, costs of excavation are reduced.

Opinions differ on the practicality of adapting the split-level design to sites on level ground. Many architects and realtor-builders interviewed agree with Morris Ketchum, Jr., New York architect, who says, "the split-level house makes good sense on a hillside site, no great sense on flat ground."

Architect Van Evera Bailey of Oswego, Oregon, comments, "It never occurred to me that one would choose a split level house unless the location was so desira-

Is it the Home of Tomorrow?



ble. It's not a practical medium-priced house unless the site requires such a design."

Many think the main drawback of a split-level house is that it lacks simplicity of design. This, according to Real Estate Builder Andrew Place, South Bend, Indiana, "Will keep it from being produced at a low cost. Simplicity of design is a must for a merchant builder who has to produce a lot of house for a low sales price."

Elmer Gylleck, architect from Elgin, Illinois, agrees. He believes that, although there has been renewed interest in Illinois in the split level, it is not economical. But he says "I am more in favor of the three-level house than the four-level as this makes the basement much more useful. It can be used for both utilities, garage and even a third basement."

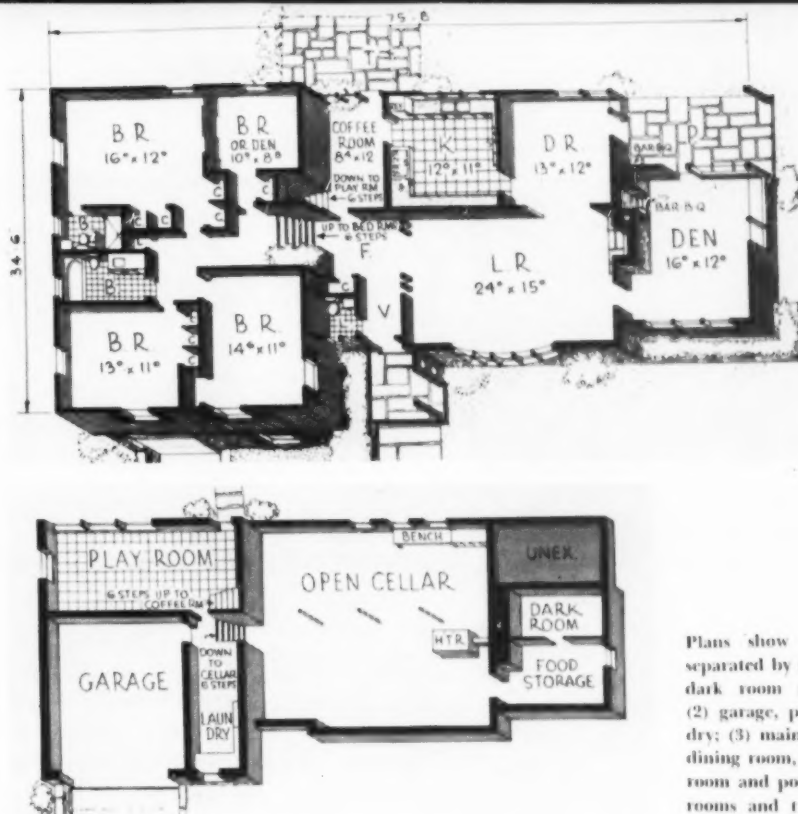
Many of those interviewed are opposed to split levels. "We are mystified as to why the split level is selling so well in the East," Donald Scholz, Toledo real estate builder, says. "Perhaps it's because a large percentage of the buyers are moving out of multi-story apartment houses. Often apartment dwellers — particularly women — are adverse to having sleeping quarters on the ground floor. We built a few split levels two years ago — beautiful jobs, too — and they were the last houses sold in the group. People absolutely want everything on one floor. We will still bet our money on ranch houses."

From Baton Rouge comes this comment from Realtor C. J. Brown: "The split-level is impractical and unpopular here because we can't have basements due to drainage and soil conditions. Also, there is plenty of ground available and our terrain is flat, making split levels more expensive than single levels."

Realtor-Builder Robert Jemison, Jr., Birmingham, Alabama: "Prospects don't seem to like it here. Local trend is to one-floor plans."

Realtor Fred Tucker, Jr., Indianapolis: "The split-level house is rather slow in acceptance here and we do not feel that it is tomorrow's medium low-priced house in our area. We have worked two or three of them locally but they have not excited too many people. The ranch, Colonial and Cape Cod still are the best sellers and will likely continue as such for many years."

Realtor-Builder Elliott S. Kin-



Plans show four levels each separated by six steps: (1) cellar, dark room and food storage; (2) garage, playroom and laundry; (3) main floor living room, dining room, den, kitchen, coffee room and porches; (4) four bedrooms and two complete baths

ney, Birmingham, Michigan: "During the last 2½ years, our marketing experience in handling less than half dozen tri-level houses has been anything but impressive. They did not receive much attention, took much longer to sell than other designs and certainly we have seen no signs of any serious demand or interest."

"On the other hand," he adds, "we have noticed that little or no difficulty is found in marketing conventional two-level houses with the lower level built into the slope of the terrain."

Other architects and realtor-builders interviewed believe, like A. Quincy Jones, Jr., Los Angeles architect, that the split level is adaptable only to colder climates.

"It is easily understood why split-level houses are taking the east by storm," Jones says, "and I think you can expect it to be accepted in the Midwest. The split-level house can produce dramatic results, but to be economical, it requires the severe weather conditions of the Midwest and East. In these localities, footings have to go down some four to six feet below the surface of the ground to get below the frost line. Since footings must go this deep, you almost build a full level below ground and you might as well use the space. The West Coast and the South normally do not require footings below approximately 18 inches. Therefore, split-level schemes do not seem to be logical

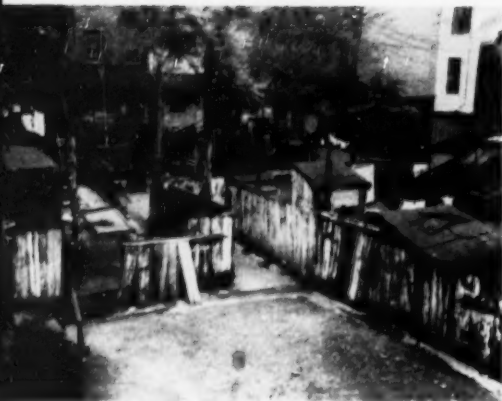
unless there is a sloping lot. Architecture still is governed by logic and budget. Where split-level schemes are logical and less expensive, they will be popular."

Here are other comments:

Arthur T. Brown, Tucson, Arizona: "In the Southwest, a one-level house with all rooms down on the garden level has the most outdoor livability. I am glad, however, for any change which makes house planning more flexible and more adapted to the site and climate. Split-levels put the imagination to work. And split-level houses are exciting to live in."

George H. Beckmann, realtor-builder, Teaneck, New Jersey: "For those people who have lived in a two-story dwelling, the split-level house is a step in the right direction if they want to save energy. At the same time they get the advantage of sleeping quarters on a higher level, separate and apart from the rest of the house. I don't think the split level will attain the degree of popularity that the bungalow or the ranch type home has attained, however."

Walter Dayton, realtor, Bay-side, Long Island: "Split-level homes are going up here by the hundreds, and are selling fast. They're superior in architecture and appearance to the average development house. But the split-level may be over-done and become a fad just like the expansion bungalow, ranch and semi-detached one-family house."



your challenge: **The Slum Problem**

The federal government does not have enough funds to clean up all of our slums and sub-standard housing. It's the problem of the owner. Let's face it, says our author. These dramatic examples of slum rehabilitation, backed by housing law, show what can be done

By HAROLD S. GOODRICH
Realtor
Springfield, Ohio

THE opening words of the realtor's code of ethics read: "Upon the wise utilization of land, as well as upon its widespread ownership, depends the survival and growth of free institutions and of our civilization." In line with this creed, realtors in more than 158 cities have started a trend toward repairing and modernizing neglected property. Hundreds of dwellings which are basically sound, but badly in need of rehabilitation, are getting a new lease on life.

The power that motivates this trend is a new policy which enforces city housing ordinances. More often than not, before this new policy was put into effect, these ordinances were ignored.

Why has the real estate board taken on this tremendous job of enforcing ordinances that outlaw sub-standard housing? Mainly because it is a real estate problem. Clearly, it isn't "wise utilization of land" to abandon established urban areas to erosion, decay and obsolescence, nor is it wise to stand by and see local housing standards nullified by failure to enforce city ordinances.

Realtors in these 158 communities are moving directly by advocating, supporting and aiding the enforcement of local ordinances that require the owners of neglected dwellings to bring them up to standard. This is the practical and obviously fair method of attacking substandard housing. Nothing has yet been found to move a community off dead-center on sub-standard housing except impartial and systematic law enforcement. Voluntary systems have been tried without results. Unless the ordinance has teeth — enforcement and a penalty — nothing much happens.

We all take pride in the million-plus annual output that the industry has been maintaining in recent years. But I wonder if you know how few old houses are taken out of use each year. Actually, the total number of dwellings demolished each year averages only 40,000. (This includes those destroyed by fire,

flood, wind, and earthquake, as well as those deliberately torn down.) Latest census data shows that our total housing inventory amounts to some 45 million dwelling units. Removal of only 40,000 each year means an annual retirement of less than one-tenth of one percent of the total inventory. We have never tried to carry on a maintenance program which would take advantage of the many old dwelling units. We have failed to properly appraise the effective life of these units.

In some instances this accumulated neglect has gone so far that the property affected is beyond rehabilitation. The only thing to do in those cases is to clear the land and rebuild. This slow-moving process is the process of urban redevelopment.

However, facts show that the areas that can't be brought up to city ordinance standards are exceptional rather than typical. The experience of the old city of Baltimore supports this. The rehabilitation work under the city's law enforcement program is dealing successfully with a vastly greater number of older structures than was contemplated under the urban redevelopment formula. In the relatively young city of Los Angeles, G. E. Morris, superintendent of building, estimates that 90% of all sub-standard dwellings in the city can be satisfactorily rehabilitated. In the city of Charlotte, 10 sub-standard dwellings are brought up to standards of the city's ordinance for every one that is demolished under the law enforcement program.

The most important thing to be said about rehabilitation is that it is not just an interesting theory or a good idea. It works. And it is profitable to the realtor who engages in it. Some pioneers have already found in rehabilitation a profitable field for business venture where opportunity is almost unlimited and where competition is slight.

Rehabilitation through enforcement of housing standards, and through imaginative voluntary work



for profit, stimulates owners to make improvements over and above those required by law. Sixteen thousand dwellings in Baltimore have been brought up to standard through rehabilitation. In one area in Charlotte, where the law enforcement program affected a large percentage of all the dwellings, Realtor John M. Dwelle built new two-family masonry units on vacant lots. Here is another clear case of new life in an old area generated by a housing law enforcement program.

Considering its population of 134,000, Charlotte has done a tremendous job in rehabilitating more

Putting teeth into the law helped private enterprise clear these Baltimore slums. The spark having been supplied by realtors, the city's block by block urban redevelopment program is meeting the problem head-on. Over 16,000 units have been cleared

than 9,000 units in a program that also demolished about 900 houses unfit for rehabilitation. A recent report from Charlotte shows that it continues to install between 150 to 200 bathrooms per month in old dwellings.

Pasadena's fine program brought 726 corrective jobs within its first six months, at a total cost to the city of only \$1,618 for inspection and administration.

In Corpus Christi, the first year of a rehabilitation program brought 1,200 enforcement actions and more than 100 complete demolitions.

In St. Petersburg, such exceptional progress has been made that the *St. Petersburg Independent* predicted that "the city can rid itself completely of slums by continuing the work for another two years."

Los Angeles is now beginning a wholesale rehabilitation program aimed at bringing 60,000 dwellings up to modern standards.

When San Francisco started its rehabilitation work, it started in earnest and spotted 118 code violations in one of the first blocks inspected.

Swiftness of results is also demonstrated in Indianapolis. A rehabilitation program there was launched during the summer, and by the first of September 451 orders had been issued by the board of health requiring elimination of outdoor toilets.

However, reports still show that city ordinances on housing standards are not being enforced in 58% of the cities. That is a measure of the civic job we have still ahead of us.

Rehabilitation puts us in a productive field with satisfying goals. Certainly there is no finer civic activity for a real estate board. It is activity in a field that is a natural for us. We have what it takes to make urban conservation really work. By seeing that it works, we will be measuring up to the first professional responsibility set out for us by the founders of our profession when they stressed the importance of the wise use of the land.



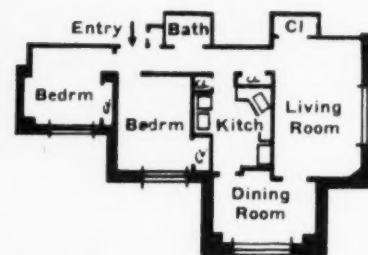
Housing law enforcement in Charlotte, North Carolina, has stimulated new life in what were once run down slum areas. More than 9,000 units have been rehabilitated, 900 demolished



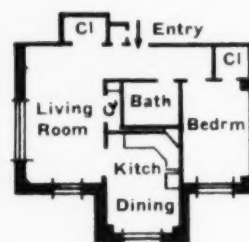


Spokane's largest apartment building has a color-styled exterior. Designers and builders say this may be why all 144 units were rented before completion

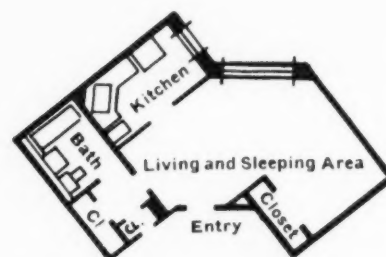
Floor plans show many features with tenant-appeal: large rooms, abundant closet space, fully equipped kitchens, large glass areas, dining rooms or dining space in kitchens



● TWO BEDROOM



● ONE BEDROOM



● BACHELOR

Colored exterior adds tenant appeal

They made the apartments spacious, packed kitchens with equipment, included automatic laundry facilities, erected a special parking garage for tenants. But perhaps the most important feature as a tenant eye-catcher is the building's exterior color styling

WHAT about color styling the exterior of your apartment buildings? Most real estate executives know that good interior color schemes help rent apartments and sell houses. Will it make your apartment buildings more rentable to color style the outside too?

Architects Whitehouse and Price, Spokane, say yes, in certain cases. They say the colored exterior of their new Cooper-George Apartments may be one reason why all 144 units were rented before the building was completed.

Before you include exterior color styling in your modernization plans, you should seek professional guidance. The architecture and setting of the building may not lend itself to effective color styling. In the case of the Cooper-George, the setting itself suggested the color scheme. A high, wooded hill rises sharply in the rear of the building, so the main shaft of the building was painted light green, the vertical flutings, a darker green. Framed against the deep green background of the hill, the Cooper-George is a spectacular addition to the Spokane skyline.

Although the Cooper-George is new, it has many ideas which can add tenant-appeal to existing buildings by modernization. As Spokane's largest apartment structure, it has 36 two-bedroom, 60 one-bedroom, and 48 efficiency units. In the two-bedroom units, living rooms are 14x20 feet, with a 9x14-foot dining room. Each bedroom has double wardrobe closets — making six large closets in all. Living room and hallway have Parkay oak floors. Living rooms in the one bedroom units also have Parkay oak floors. Elsewhere, Matico asphalt tile is used.

Construction is reinforced concrete with exterior walls of architectural concrete. There is a great deal of glass area. Interior finish throughout the building is mahogany.

The structure is cross-shaped to assure maximum lighting and cross ventilation for each apartment. All rooms in each unit face a beautiful view. The apartments are unfurnished, but are equipped with General Electric and Hot-point ranges and refrigerators, and In-Sink-Erator garbage disposal units.

Use of lightweight vermiculite plaster in the building increased rentable area by 2,000 square feet and reduced the dead load on the

building by about 1,000 tons. The plaster was applied ¾ inches thick on both sides of long gypsum lath. Corridor partitions, which are standard six inches in width, were also plastered with it. This type of plaster achieved higher fire ratings and helped reduce insurance rates.

Acoustical vermiculite plaster was used on the ceilings. This was not done for acoustical treatment alone, but also to true up the exposed concrete and to provide an eye-pleasing texture finish.

Kitchens are of two types: angle and modified U-shape, both approved by housekeeping experts. Floor coverings are Armstrong linoleum and carpeting, the latter in all corridors, which took over a mile of fine carpet. Bathrooms have stylon plastic tile in tub recesses and Kohler fixtures.

Two Otis passenger elevators which can be operated either manually or automatically, serve the structure. An electric laundry has Maytag washers and Hamilton dryers. Laundry and furnace rooms are located in the basement. Heating equipment consists of Birchfield boilers, Iron Fireman stokers and Westinghouse vacuum pumps. Two 2,000-gallon hot water tanks assure a constant supply of hot water. Each apartment has its own personalized thermostatic control.

On the first floor are a dining room operated by the apartment management, a beauty shop, a specialized food center and the manager's office.

The Cooper-George is one of two apartment houses in the city that provides off-street parking. This vexing problem was solved by erecting a matching, two-story building on adjoining land. Under cover, 110 cars can be accommodated, and there are 40 open parking stalls for extra cars and tenant's guests. The garage is attended seven days a week, 24 hours a day, and has up-to-date facilities for washing, greasing, and service.

These are not luxury apartments, but the building does cater to an above-average income group. Rentals range from \$67.50 to \$140.00 per month, with a charge of \$12.50 for garage space.

The location is within five minutes' walking distance of downtown business areas, and is convenient to main bus lines.

Owners of the building are J. L. Cooper, president of J. L. Cooper & Company, Spokane realtors,

builders and financiers, and Henry George, president of Henry George & Sons, builders. The building was erected by the George organization.

Are your salesmen name gropers?

WHEN it comes to making friends and increasing contacts, the salesman who has trained himself to remember names — and everyone can do it — is automatically far ahead of the man who constantly apologizes for his lapse of memory. The former is not only marked as a man with an excellent memory, but as one you'd like to know better.

There are probably almost as many ways to remember names as there are people who are interested in the courtesy. Experts collect steep fees for passing their pet theories along. Most systems are similar to the workable rules recommended by Charles B. Roth, author of the book, "1,000 Ways a Salesman Can Increase His Sales." Follow these rules for a month, Roth says, and, far from being a person who cannot remember names, you will find yourself becoming an expert.

1) Whenever you hear a new name, repeat it at once — it helps fix it in your memory.

2) Use it two or three times in speaking to the person you are introduced to.

3) Whenever you use the name, take a mental snapshot of the man (or woman), which further helps embed the name in your memory.

4) Write down the names at night of those you have met during the day. Note in your mind's eye their dress, the subject of conversation, and take another mental snapshot of how they look.

5) Make it a business to call up new names and faces and connect the two.

THE LAW SAYS!



What happens when a buyer discovers he has less acreage than he anticipated when he bought the land? Is a landlord liable for tenant injuries caused by property defects? When does the law say, "He who trusts most ought to suffer most?" A legal expert gives the answers

THERE have been hundreds of cases when acreage has been sold, and after the deal was closed, the buyer discovered that he got less acres than he anticipated, and filed suit to recover the shortage.

The case of *Sheets vs. McDonald*, 213 Ky. 595, gives a formula for deciding such cases which may prove valuable to you for pasting in your scrap book.

"Sales in gross may be subdivided into various classifications:

1. Sales strictly and essentially by the tract, without reference in the negotiations or in the consideration to any estimated or designated quantity of acres.

2. Sales of the like kind, in which through a supposed quantity by estimation is mentioned or referred to in the contract, the reference was made only for the purpose of description and, under such circumstances or in such manner as to show that the parties intended to risk the contingency of quantity, whatever it might be, or

how-much-soever it might exceed or fall short of that which was mentioned in the contract.

3. Sales in which it is evident from extraneous circumstances of locality, value, price, time and by the boundary and not by the acre."

There was a shortage of more than 19 acres. What classification would this case come under?

The court placed it in the second classification.

IF a landlord leases premises to a tenant and there is a structural defect in the premises, or any other defect as far as that is concerned, and the landlord knows of the defect and knows that it is likely to cause an injury, and the defect cannot be observed by the tenant by an ordinary examination, and the landlord does not tell the tenant about the defect, the landlord is liable for any injury caused by the defect. Observe that there are five elements that must be present to hold the landlord liable.

By **GEORGE F. ANDERSON**

The element that the case of *Charlton vs Brunelle*, 82 NH 100 stresses is the one that the landlord must know that the defect is one that may cause an injury.

Let the court speak for itself: "Manifestly, an action of deceit could not be maintained for the failure to disclose a defect which was not likely to result in injury or damage to the plaintiff. It was essential to the plaintiff's case that the defendants knew or suspected that the defect was fraught with some danger to the plaintiff or their property. Notwithstanding that it could be found that the defendants knew that the construction of the building was defective, yet if he did not believe or suspect that the defect was dangerous, his silence did not amount to deceit."

A GENERAL principle is that when a deed is deposited in escrow and the grantee obtains possession of said deed by theft or fraud or in violation of the condition of the escrow, the deed passes no title, even as against a "bonafide" purchaser.

In the case of *Schultz vs Colvin*, 55 Ohio 274, the principle came into collision with another principle namely, "Where one of two innocent persons must suffer from the wrongful act of another, he must bear the loss who placed it in the power of the person as his agent to commit the wrong. Or more tersely, he who trusts most ought to suffer most."

In the said case the grantor sold the premises to the grantee. The deed was placed in escrow, until the purchase price was paid, and possession was delivered to the grantee. The grantee borrowed the deed from the escrowee to get the legal description from the same, and while it was in his possession, borrowed \$6,500 on a mortgage. There you have it. Who is to pay?

The answer is found in this quotation from the court, "If he selects an unfaithful person, he should suffer the loss from a wrongful delivery, rather than an innocent purchaser without knowledge of the facts. In purchasing land, no one, in the absence of anything that might awaken suspicion is required by any rule of diligence to inquire of a person with whom he deals, whether his deed has been duly delivered. Where a deed is found in the grantee's hands, a delivery and acceptance is always presumed."



A few strips of glass and some metal brackets make simple, yet ideal shelves. Here four-inch strips help ease a storage problem

Both doors of this handy storage closet are used effectively to hold towels and linens. Such spaces make supplies easier to store

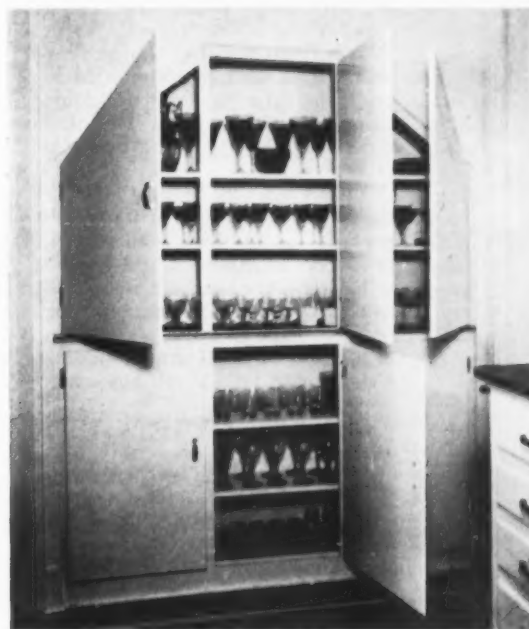


Apartment Storage Ideas

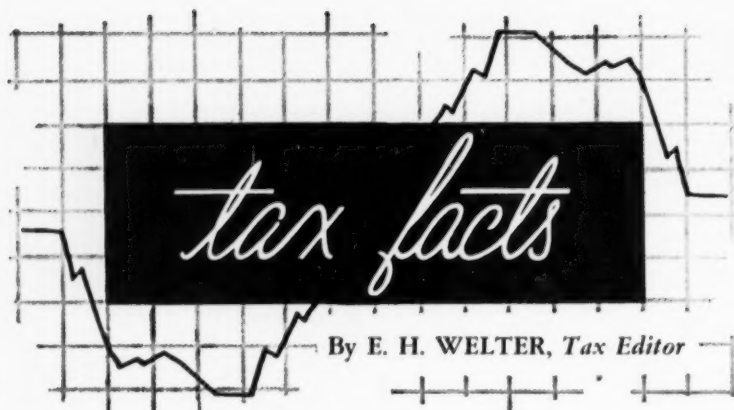
Do your tenants want more storage space? Here are ideas you may want to include in your modernization plans



Here's a shallow space, but it's put to good use for shelving glassware. The narrow shelves save time removing items you want



A refrigerator can be neatly fitted into a shallow storage wall. Four-inch shelves at side are ideal for storing canned goods



LUMP SUM SALE OF FARM with residence cannot be divided, says Tax Court (Bymaster, TC), when taxpayer later uses part of proceeds to purchase another residence. Under Code 112 (f) he cannot divide the proceeds between the farm proper and that portion of the proceeds which represents the sale price of the residence if such separation was not made at the time of sale.

WHERE A BUILDING IS ACQUIRED for demolition, the cost is all attributable to the land. Therefore, it has no depreciable value. It is immaterial that the building was rented during the interim between its purchase and its demolition. (Lynchburg Nat'l Bank & Trust Co., T.C.).

SEPARATE MAJOR AND MINOR expenditures, when they pertain to the improvements on property. Lump sum and not detailed reporting of such items will cause disallowance for tax purposes as expenses and cause them to be capitalized as improvements. (Malmberg, DC, North Dakota.)

OPPORTUNITY TO RESTORE depreciable value on rental property held by a family corporation is shown by a taxpayer and his wife who purchased a building and land for \$120,000.00, 20 years ago. They incorporated it for the combined value of building and land or \$120,000. The building value was \$100,000 and the land \$20,000. This same property has a fair market value today of \$150,000 with a useful life of 20 years. Here is what can be done: Liquidate the corporation and distribute the assets to the stockholders. The value of the property received will be the fair market

value, which is \$150,000 as stated above. The basis of their holdings in the corporation is \$120,000. The building has a depreciated value on the books of the corporation of \$20,000. The rental property can then be carried on as an individual proprietorship or a partnership with the assets at the new value for depreciation purposes. If the taxpayer is in a high bracket the depreciation deductions of \$6,000 per year on the building will more than recover the capital gain tax of 26% on the \$30,000 profit arrived at by deducting from the fair market value of the assets received of \$150,000 the value of their stock holdings of \$120,000.

ADVANCE TO INSOLVENT corporation by its president, a stockholder, is not deductible as a bad debt says the Tax Court. (O. D. Bratton v. Comm., 6/30/195 TCMemo) when the taxpayer could not have expected repayment, knowing that the corporation was insolvent at the time the advances were made.

SALE OF PROPERTY TO satisfy judgment lien by the Court against the taxpayer was not a sale or exchange of a capital asset and therefore any gain resulting therefrom is ordinary income. (Green, DC, Nebraska.)

INCOME TAX ACCOUNTING. The importance of planning for income taxes as compared to other business administrative problems has been pointed out many times in this column. The tax load is lightest if the income is received in equal installments over a period of years, whereas due to the graduated tax rates, unequal distribution of earnings may

greatly increase the tax liability. It is of course impossible for management to provide a perfect solution to this problem but much can be done to lessen the burden. Your particular type of business and operating methods should be thoroughly analyzed to foresee the results in a change between:

1. Cash or accrual basis.
2. Fiscal or calendar year.
3. Installment basis.
4. Completed contract or percentage of completion method.
5. Corporate, individual ownership or partnership.

It is now easier in some cases to change the accounting period from a fiscal year to a calendar year or vice versa.

REPORTING GAIN OR LOSS on sale of real property is governed by many factors, such as:

- 1.) Whether taxpayer is on a cash or accrual basis.
- 2.) Sales on contract for deed or title passes at time of sale and mortgage taken.
- 3.) Down payments first year must not exceed 30% of contract price, if election to take installment basis is desired.
- 4.) Payments or proceeds placed in escrow by purchaser may provide tax advantage.
- 5.) A lease with option to purchase if not properly reported will confuse the tax situation.
- 6.) Repossession of property sold when the purchaser defaults is handled differently when title has passed and when it has not.
- 7.) Taxes may be paid and taken as a tax deduction by the seller if title has not passed. The reimbursement by the buyer for such taxes are then treated as additions to the sale price.
- 8.) A note or mortgage taken in payment of property can be reported at its fair market value rather than its face amount if the anticipated collectible amount is likely to be less than face. If collection is later made for the face amount it must be reported as taxable income or if the amount collected is less than the original fair market value it is a taxable deduction or loss.
- 9.) Whether income producing property or residence.
- 10.) The basis for tax purposes will depend on whether the seller purchased the property or acquired it by gift or inheritance.

The foregoing points are by no means complete but show the need for close scrutiny tax-wise of all real property transactions.

Simplified Accounting

For Home Builders

Part II

By BERT V. TORNBORGH, CPA

This concludes the series of two articles on easing the chore of account keeping for your homebuilding department. This month our author tells how to adapt the system described last month to a growing building operation, making changes as your business expands

LAST month we outlined the fundamentals of minimum account keeping for a homebuilder — a basic frame work to which can be added and "built on" as transactions multiply and business grows.

The first step in a more formal accounting system is to set up two cash books, one for money coming in and another for money going out. We described how that was done right in the checkbook; now the same data will be copied into a cash receipts book.

This record has columns, from left to right, for date, name of payor, debits for the bank, debits for discount expense, and credit columns for house sales, sundry income, and notes and loans payable. The debit columns tell where the money goes, the credit columns where it came from. The totals of the two columns must be the same — a maxim of double entry. If they differ there is an error which must be found and corrected.

We are still assuming that the records are on a cash basis — that sales are recorded when collections are made, not before. Record those sales in a journal, which debits accounts receivable and credits house sales.

The sales journal might look something like this:

Date		Dr. Accts. Receiv.	Cr. House Sales	Cr. Sundry Income
June 1	A. Jones, #22	\$9,000	\$9,000	
	B. Smith, top soil ...	80		\$80
	V. Allen, extra #112 ..	220	220	
June 3	A. Jones, top soil	110		110
	" " fencing	85		85
June 4	G. Sims, #25	8,200	8,200	
	A. Jones, TV	460	460	

Note that A. Jones appears four times in the course of a couple of days. The first entry is the house sale. Let's assume that the cash receipts book shows collection of a 20% down payment, of \$1,800, and \$7,200 to be similarly received as mortgage money

on closing. The top-soil, the fencing, and the TV set are extras. Jones may pay for all three at one time, or he may pay for one item at the time, or he may make partial payments until the total is cleared up. In any event, it is best to have an "accounts receivable" sheet or card for Jones, to show the status of his account at all times. This accounts receivable ledger, then, is a "subsidiary" record that tells the chronological money history of each customer. The Jones sheet may appear as follows:

Date	Debits	Date	Credits
June 1		June 1	
House #22	\$9,000	Down Payment ..	\$1,800
June 3		June 20	
Top soil, extra ..	110	On closing	7,200
Fencing	85	June 30	
June 4		On account	200
TV installed	460	July 31	
		" "	200
		Aug. 30	
		" "	200
		Sept. 15	
		" "	55
	<u>\$9,655</u>		<u>\$9,655</u>

On the paying-out side, checks are drawn daily for such purposes as payrolls, insurance, telephone and repairs. Instead of merely keeping stubs to be summarized quarterly or annually, copy the check stubs date into a cash disbursements book, taking care to provide a classifying feature, to save later analysis work. A typical cash disbursement book will have column-headings from left to right as follows:

Date
Payee
Check No.
Credit columns —
Bank
Discounts taken
Income tax withheld
Social security withheld
Other withholdings

(This columnar listing is continued from the preceding page.)

Debit columns —
 Payroll
 Subcontractors
 Materials
 Supplies
 Insurance
 Taxes
 Interest
 Rent, heat and utilities
 Repairs
 Auto and truck expense
 Advertising
 Office expense
 Mortgage payments
 Note and loan payments
 Sundry

With this sort of columnar set-up, each check, representing a payment transaction, will be "sorted out" and classified for a specific column as it is entered. By totaling the columns, you get totals by *types of expenditures*, rather than a mixture of all types which have to be unravelled.

It is often more convenient to keep intermediate systems — sales on an accrual basis with a subsidiary accounts receivable ledger. But cost and expenses should be recorded when paid rather than when incurred. Then when preparing statements, you can summarize unpaid bills on hand by types of expense as follows:

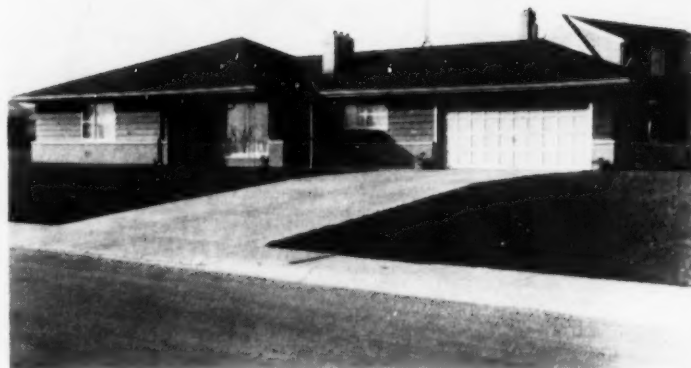
	Debits	Credits
Materials	\$1,824.71	
Insurance	360.00	
Taxes	201.81	
Interest	60.00	
Advertising	52.00	
Accounts Payable		\$2,498.52

Again we are assuming that unpaid bills are not too numerous, and that prerecording of them would not be worth the effort. As volume of business grows, it is necessary to use orthodox methods. Then this cash disbursement book set-up would be changed to an Accounts Payable Register by merely changing the first credit column from Bank to Accounts Payable. Discounts Taken is eliminated. The cash disbursement book would then have these columns, from left to right:

Date
 Payee
 Check No.
 Credit Bank
 Credit Discounts Taken
 Debit Accounts Payable

If accounts payable are fairly numerous it's best to keep track of what's owed with an Accounts Payable ledger. Every bill is credited as it is received, and each payment is debited as it is made. Each creditor should have a separate sheet.

It is usually best to keep the check number column in the Accounts Payable Register, even after changeover from a cash disbursement book, and to note payments as they are made by inserting the check number opposite the applicable invoice entry. Entries without check numbers, then, should represent the unpaid bills, which can be checked against the accounts payable ledger from time to time to ascertain accuracy.



• IN ILLINOIS

Peoria realtor-developer team creates 239-unit project of custom-like homes

Homes Our Readers Are Building

NO two homes are alike in Peoria's Knoll Crest, a joint venture of Hicks Fallin, Inc., Realtors, and Harris J. Harman Company, real estate developers. The realtor-developer team wanted to create a subdivision which would be a sound investment for home buyers for many years. The 239 homes in the project are spacious and predominantly ranch style. Several types of masonry exteriors are used in conjunction with board and batten or lap siding. The homes, priced between \$16,500 and \$32,500 are built on lots ranging from 60x120 feet to 100x250 feet.

The \$30,000 home shown here has an exterior of brick and natural redwood. The large picture window in the living room and smaller ones in the bedrooms are all glazed with Pittsburgh's Twindow. Heating is by hot water circulated through radiant coils in the ceiling. The system has a Triad boiler with White & Rodgers controls. More lighting fixtures are used, including the fluorescent valance lighting system.

The bathroom has Crane fixtures, including a Criterion tub and Drexel lavatory and closet. A custom-built cabinet around the lavatory with a glass-covered top adds considerable storage space.

The kitchen has a General Electric refrigerator and garbage disposer, Tappan electric range, and Formica countertops. The automatic laundry equipment consists of Maytag washer, Bendix dryer, and a Crane water heater.

Other nationally-known products used include Schlage hardware, Sherwin-Williams paint, Armstrong linoleum and asphalt tile, Rittenhouse door chimes, and a Barcol overhead door on the garage with Barcol electronic radio control.

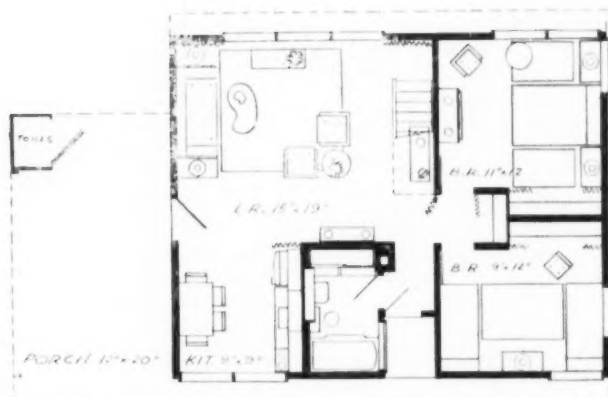
The project draws transportation from two bus lines, is located near three new churches, and has a school at one corner.



Rear view of one design shows gray shingled exterior covering and attractive landscaping. Note recessed entrance

● IN PENNSYLVANIA

Levitt & Sons' new Rancher model has interesting cost- and space-saving features



Open main floor plan of Rancher shows spacious 15x19-foot living room and kitchen off porch, a centrally located bathroom and two large bedrooms. Upstairs there's unfinished space for two more bedrooms and a bath. Thermopane picture window brings the outdoors in and makes it a part of the living room



LEVITT & SONS' new Rancher model is offered in five variations in their Levittown, Pennsylvania, project. To stimulate interest in it, the firm introduced it at \$8,990 subject to later increases. Financing terms were easy — \$58 a month with \$950 down. Veterans could buy with no downpayment. Designed to attract home seekers with small budgets, the response was good.

As is customary with all Levitt economy house designs, the new Rancher makes maximum use of space. Each of the five designs has the same interior, but exteriors differ enough to add interesting variety. Plots range from 60x100 feet. Each house has an entrance foyer, a large living room, two bedrooms, a kitchen, bathroom and porch or carport on the main floor. A stairway leads to a large open attic which can be finished into two more bedrooms and another bath.

Kitchens are equipped with Bendix automatic washers, General Electric ranges and Tracy all-steel cabinets. Bathrooms have Briggs colored fixtures, porcelain-on-steel wall tile and Matico tile floors.

All homes have hot water radiant heating, York-Shipley automatic oil burners, and are insulated with Fiberglas. Windows are sliding General Bronze aluminum with Thermopane insulated glass. Homes are completely landscaped and have outside garden storage closets.

The planned community of Levittown offers municipal sewers and water and such recreational advantages as playgrounds, baseball diamonds and swimming pools.

Listing Methods

(Continued from page 23)

his initial try with a \$22,000 offer and urges the owner to take it? Who is crazy? What about the opinions we create in the minds of sellers when we just drag out the crystal ball and give 'em a figure (not an appraisal or even a competent sales estimate) and then wind up attempting to get a deal accepted at 30% less than we figured on. What do they say about us when we aren't around?

Or, and sometimes worse, what about the young fellow just starting, who knows very little about listings or values but may be a whizz of a convincer and thus considered a good salesman? He chases his prospects all over town showing properties either far out of their reach or obviously over-priced or mislocated for their purposes. And yet, he may represent a so-called high-grade, well-known office whose reputation is thus being terribly damaged by such ill-informed tactics. How can people say anything good about a fellow like that? He may be as honest, sincere and well-meaning as it is possible to be.

The Seller's Opinion

Finally, what does an original prospect think about us? What will he say to others about the salesman who urged him to buy a certain property over-priced at \$25,000 when he, the original prospect who didn't buy it, eventually learns that the same property was sold by the same salesman from the same firm at \$20,000? Startling to contemplate isn't it? High-binders, peddlers, commission-chasers, pests. All those words and more fill the minds of such people. And probably with great justification.

Today, probably more than at any other time in the past 15 years, we need to get down to business and do something about our methods, or rather, lack of methods. I know of many offices in America which have grown from two or three to 15 or 20 salesmen during the past seven or eight years and when anything grows that fast weeds are bound to creep in. The state of the market may be the most effective weed killer we have, but we need not wait for that.

Someone in every office should be an appraiser in the full sense of the word — an appraiser who works for his office, its clients and its salesmen. The public will soon catch on. They'll see those listings go like hot cakes while other broker's listings drag. Production ratio of sales to listings will mount to nearly 100%. Customers shown around by salesmen for that company will be shown properties *priced right* and within their means. The time between listing date and closing date will dwindle. People will begin to be compelled to say good things behind the backs of such men and their companies. Their signs will not plaster the town, but when their sign is seen the observer will know, from reputation, that there stands a house priced within reason and a good buy. The person doing the evaluating could very well not be one involved in direct selling. His view can be objective. He can serve as a buffer between the owner and the salesman to whom the property is eventually given. The salesman does not then have to back-track on his own value or haggle for a lower price than one he set himself.

Use An Independent Appraiser

Another idea, often discussed, is to spend the money to have the property appraised by someone whom the prospective seller chooses. Then take that figure and determine the amount of loan available. From that point, reason it out as to the probability of finding a buyer with the difference in cash to meet the owner's asking price and your estimated sales price. Who will stand the best chance of making his value stick? Owners will thus be helping to answer their own question with your help because you will invest your own money in the appraisal fee and call it well-spent if you thus avoid the expenditure of five or ten times as much in advertising and showing an unsalable listing.

Yes, there are ways. We need not wait for a duller or tougher market to beat it into us. These things work. They will help you make friends, save advertising costs, speed sales and above all, gain for you a reputation which you cannot acquire in any other way. It will be a hard job well done.

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This built-in storage wall not only provides room for books, a desk and buffet, but space for TV. A set can be placed on a perch or turntable

Where to Put TV

TELEVISION is here to stay and chances are high that your best prospective buyers either have a set or plan to invest in one soon. All of which points up the sales advantage of planning for the placement and wiring of a set in each new home.

Here are three ways to provide compact space for TV. In each of these rooms, the screen is out of the way, yet is placed conveniently for best viewing.



Center section of this built-in is extended out into room so television mechanism will fit into the space and the screen will face the viewers



A simple rectangular box of mahogany-faced plywood holds the television set, radio and record player. The unit harmonizes with wall paneling and flooring, is inexpensive



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Product Progress

In the Fire Department

A new fire-retardant paint is reported to contain a mass of minute "built-in" fire extinguishers which emit chemicals to check the spread of flame. This paint, developed by Fyr-Kote Company of Omaha, Nebraska, is said to be long-lasting and can be applied by either brush or spray.

Mighty Mite

Production of a gas-fired unit heater, designed to give high capacity with limited space requirements, is announced by Carrier Corporation, Syracuse, New York. This new unit is 23 inches high, less than 23 inches deep, and 19½ inches wide. It has a reported capacity of 50,000 BTU per hour. Gas is fired directly into the tubes of a one-piece heat-exchanger made of 16-gauge aluminized steel. The heater is encased in a gray baked-enamel casing.

On the Side Line

Cement-composition siding made with the even-finish look of clapboard is being produced by the Tilo Roofing Company of Stratford, Connecticut. Called Tilostone TK-33, it is made principally from cement and reinforced with asbestos fiber. The manufacturer reports that it is more permanent than wood, that it will not splinter at the edge, and that it provides effective insulation. In addition, it is said that Tilostone TK-33 can be applied in any color the builder chooses. This is made possible by using a low pressure spray after the neutral color siding has been put on the house.

Just Warming Up

NuTone Incorporated, Cincinnati, Ohio, is producing a new radiant electric heater which is installed in the ceiling. This heater is designed for "on the spot" heating in small areas, principally bathrooms. The main advantage claimed for its position in the ceiling is safety. In the unit, a 1,000-watt heating element is mounted in a reflector which focuses the heat directly on the body. A wire grille protects the

(Please turn to page 50)

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Selling Prefabs

(Continued from page 26)

through local building and loan associations and says it is "almost impossible at the present time."

Abercrombie gets financing through building and loans, also, but is having no trouble.

Weller says he is getting enough in spite of the general mortgage money shortage.

Stephani gets some FHA financing but most of it comes from savings and loan associations. He is having some difficulty obtaining it right now, but "so are conventional builders," he says.

Hermann's financing is through a local bank and he is having no difficulty.

Baldwin is having some difficulty: "The FHA mortgage market is not good."

Wilkins is having no trouble. He uses GI and FHA financing.

Shirmeyer has his own mortgage loan department, "since one of our most important sales tools is financing." He says this enables his sales department to proceed "without delay or uncertainty." Several insurance companies are taking the firm's mortgages. FHA financing is harder for him to get than last year but he says it can be done with a little extra effort. GI financing with the new liberal terms is another story, Shirmeyer says.

Maenner says financing is very difficult in Omaha, but his prefab manufacturer is helping him.

Do They Cost Less?

How much cheaper (on a square foot basis) are prefabs than conventionally built homes? A. A. Mizell, Yonkers, New York, says 20 to 25%.

Maenner says 3½ years ago when he first started as a prefab dealer he was \$2,000 cheaper per house. Now his competition has been forced to come down making the difference in price about \$500 less per house.

Wilkins says prefabs are 10% cheaper.

Baldwin: from 10 to 20% less.

Herrman: from \$2 to \$3 per square foot less.

Probably one of the most significant statements is made by Chalaron. He says prefabs are better but not necessarily cheaper. "The quality materials and workmanship and the features available through mass production could be purchased by the average homeowner only in the highest

priced conventionally-built homes."

Designed For a View

(Continued from page 31)

feet along each living room and six feet along each bedroom. Each ground floor suite has a door to a large, private concrete terrace. Each upper suite has a door to a continuous six-foot wide balcony.

A stone terrace and grill will be built right on the edge of the bluff for summer picnicking.

Like the landscape about them, the buildings depend for their beauty upon the materials used. End walls are solid red brick. Face walls are either glass or natural grey cypress boards which will provide a soft contrast. Party walls between suites are of solid masonry, affording sound protection. These, like the end walls, end in brick piers projecting beyond the face of the building to gain privacy between adjacent suites.

Thus Realtor Ludwig and his architect, Michael M. Kane of Michael M. Kane & Associates, Cleveland, solved their two prominent problems: 1) how to retain

the pleasantness of the "house and acre" type of living yet produce efficiently modern apartment living, and 2) how to do justice to the magnificent bluff-top site overlooking a valley with rivers, trees and distant hills.

Walban suites, whose rentals range from \$85 to \$115, have one and two bedrooms, one of which is nearly 16 feet long. Carefully planned kitchens have large eye-level windows and sliding doors on all closets, and it is planned to equip them with Admiral electric ranges, Admiral refrigerators, American Kitchens' garbage disposers and cabinets. The suites have large storage closets and walls will be covered with washable fabric. Rooms are compact but planned for efficient furniture arrangement. The 19-foot living rooms have a dining L.

Individual Bryant gas heaters provide perimeter radiant-convected heat. Laundry rooms are equipped with Thor electric washers and driers. American-Standard gas water heaters will be located in each suite. Tenants will select their own decorations with Kane's assistance.



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National Real Estate and Building Journal

Cedar Rapids, Iowa

Product Progress

(Continued from page 48)

heating element and reflector, while the housing con-
tains an air circulating system to keep the unit cool.
The heater measures 15¼ inches in diameter across
the grille. It is mounted in a housing 7½ inches deep
and 13-5/32 inches in diameter.

Panel Discussion

Shower door panels made by the Alsynite Com-
pany of America in San Diego, California, are now
available for use with standard fixtures. These fiber
glass panels are heavier than standard-weight Alsyn-
nite and more translucent. They weigh approximate-
ly 11 ounces a square foot and are .09 inches thick.
Stock sizes are 32 inches by 60 inches, and 24 inches
by 66 inches, but the manufacturer says smaller or
larger sizes are available on order. The panels are
being made in five colors — white, blue, pink, yellow
and green. They have a crinkled surface on one side
and are smooth on the other. Alsynite is said to be
fire-resistant and the manufacturer claims it will not
be affected by humidity, water, sunlight, heat or cold.

Reflecting Credit

The National Bureau of Economic Research, Inc.
announces the publication of *The Role of Federal
Credit Aids in Residential Construction and Its
Financing* by Leo Grebler. This publication covers
research on such topics as "New Housebuilding
Under FHA and VA Programs," "Importance of
Federal Programs in Mortgage Finance," and "A
Note on the Future of Federal Credit Aids."

A Modern Conveyance

A new addition has been added to the line of con-
veying equipment manufactured by the Fairfield En-
gineering Company of Marion, Ohio. Called the
"Fairfield Builder," this steel conveyor has been de-
signed for contractors and builders and is available
in two models. The Flare Top (Model 270) conveys
all building materials except those wider than 16
inches. The Flat Top (Model 271) is designed to
convey wide insulation board, corrugated roofing, or
siding. The manufacturer states that the Builder will
carry from ground to roof 70 bricks, 35 concrete
blocks, or 35 rolls of roofing in one minute.

Who Can Resist TV?

Blonder-Tongue Laboratories, Inc., of Westfield,
New Jersey announces a new B-T Resistor Outlet
Box for use with Master TV systems. The manu-
facturer reports that this product reduces installation
of TV system to a routine wiring job, once all-chan-
nel TV reception has been accomplished at roof level.

New Dehumidifier

The Hotpoint Company of Chicago say their new
portable room dehumidifier will extract more than
three gallons of water a day from up to 10,000 cubic
feet of room air. The new plug-in unit requires no
special wiring, plumbing or permanent installation
and can be used in any room of the house. The en-
tire unit, including a reversible water container,
is finished in gray enamel and is equipped with a
1/8 horsepower motor that operates an air circula-
tion fan and refrigeration system that uses Freon 12.



G. G. Alexander entered the real estate business 10 years ago in Borger, Texas, handling commercial, residential and farm properties. A charter member and past president of the Real Estate Board of Borger, he is also a member of the Texas Real Estate Association and of the National Association of Real Estate Boards.

"Our Real Estate Board finds Perfect Home Magazine to be an ideal method of building goodwill,"

Says G. G. Alexander of Borger, Texas

PERFECT HOME Magazine makes friends for every member of our local Board," says G. G. Alexander, speaking for the Real Estate Board of Borger, Texas. "We have found that it not only is well-received and thoroughly appreciated but that it gives our Board a great deal of professional standing and prestige.

"We feel that PERFECT HOME is an ideal method of building goodwill and are looking forward to many years of continued association with your organization."

Enthusiasm such as that expressed by Mr. Alexander is shared the nation over by leading real estate, home building, and home financing organizations. PERFECT HOME is a community force, edited for key people whose zones of influence will build the highest public confidence for you. It promotes the "home idea." It connotes quality, fair dealing, high ethics. It commands readership with skillfully written articles and sparkling photographs of the latest in home design, furnishing, and equipment.

National in scope, PERFECT HOME is local in application, becoming the sponsor's own publication. Editorial, art, and other preparation costs are shared among PERFECT HOME users throughout the entire nation. Local reproduction and mailing costs are spread among the selected, reliable building factors who are invited into the program and who gain in prestige and goodwill from its use.

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It'll be a fast trip for some of the principal speakers at the NAREB convention in Los Angeles next month. The Mortgage Bankers Association meets the same week (November 8-13) in Miami Beach, and Walter Williams, Under Secretary of Commerce, and Albert Cole, HHFA administrator, are scheduled to appear at both meetings. NAREB's convention, its 46th, promises to be one of the best-attended in its history. Slated for top discussion are NAREB's plan for a central mortgage discount bank, ways to promote the "Build America Better Program," and the association's drive for a new national property owners' group.

Two groups of property owners have asked the Tucson City council to demolish two federal rent projects recently deeded the city by the federal government. Their reason: between 5,000 and 6,000 private rental units are vacant in the Arizona city. The two projects, developed as temporary housing during the wartime emergency, house less than 500 families and are no more than 50% occupied.

Dollar value of farm land is making a very gradual decline from the peak levels reached after World War II. Using 1947-49 as a base of 100, farm value hit 129 in the quarter ended July, 1952. But the quarter ended July, 1953, showed the index at 124. The declines are small but reflect the downtrend in farm prices. No big dip is seen, however, especially with price supports and the huge crops of this year.

Active in raising the standards of real estate practice is the New Jersey Association of Real Estate Boards. It was instrumental in sponsoring two amendments passed by the New Jersey legislature. One requires that you must have a complete high school education or the equivalent to obtain a brokerage license. The other increases the apprenticeship period for salesmen from one to two years of full-time service.

Maryland realtors are sporting their title on the bumpers of their cars. Plates, the same size and color as the license tags issued by the state, carry the words "Safety With Realtors" . . . NBC reports there are more TV sets than bathtubs in eight major American cities . . . NAHB's 10th annual convention is slated for January 17-21 in Chicago. Enough exhibit area was reserved to provide 25% more spaces than last year, but convention directors say even this has fallen short of demand.

Capable Cal Snyder left NAREB last month to take over management of Denver's Chamber of Commerce. No announcement has been made about his successor as secretary of the RWC . . . Jack Stark, JOURNAL contributing editor, is headquartered in Miami and will cover southeast Florida.

It's a welcome note that the Administration is including men who know housing best on government housing committees. Serving on the 21-man advisory committee on government housing policies and programs will be Alexander Summer, Teaneck; Bruce Savage, Indianapolis; Robert Morgan, Boston, and Axel Nielsen, Denver. Chairmanned by HHFA's Albert Cole, the committee will study and advise what role the government should take in meeting the nation's housing needs.

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